



Aerial view of Western Sydney Airport under construction



**CEMENT CONCRETE
& AGGREGATES AUSTRALIA**

BUILDING A SUSTAINABLE NEW SOUTH WALES

POLICY PRIORITIES

WORKING TOGETHER TO ENSURE THE EFFECTIVE SUPPLY OF CRITICAL CONSTRUCTION MATERIALS

- Heavy construction materials are essential to building a sustainable New South Wales.
- The materials supplied by CCAA members enables the \$56 Billion New South Wales construction industry, employing 370,000 workers and contributing 45% of the New South Wales taxation revenue base.
- Collaboration between industry and State and Federal Governments is required to deliver upon the objective of a 50% cut in emissions by 2030 compared with 2005 levels and the goal of Net Zero by 2050.
- Further reform of construction procurement is required to adequately manage risks, particularly in light of external inflationary pressure.
- Construction materials must be protected with Natural Sand Reserves forecast to be depleted around 2030.
- Enhanced road, rail and port infrastructure access is critical to deliver raw materials in an efficient and sustainable manner.

KEY FACTS:

DRIVING RECOVERY & SUPPORTING SOCIAL & ECONOMIC DEVELOPMENT

Every Australian needs

8 tonnes per year of stone, sand, gravel and cement to build roads, houses, hospitals and more.



High rise buildings use up to **1,000 tonnes** of aggregate per floor.



Highways use **14,000 tonnes** of aggregate per km.



Average new home uses

110 tonnes of aggregate and over 50m³ of concrete.



Capable Local Supply Chain

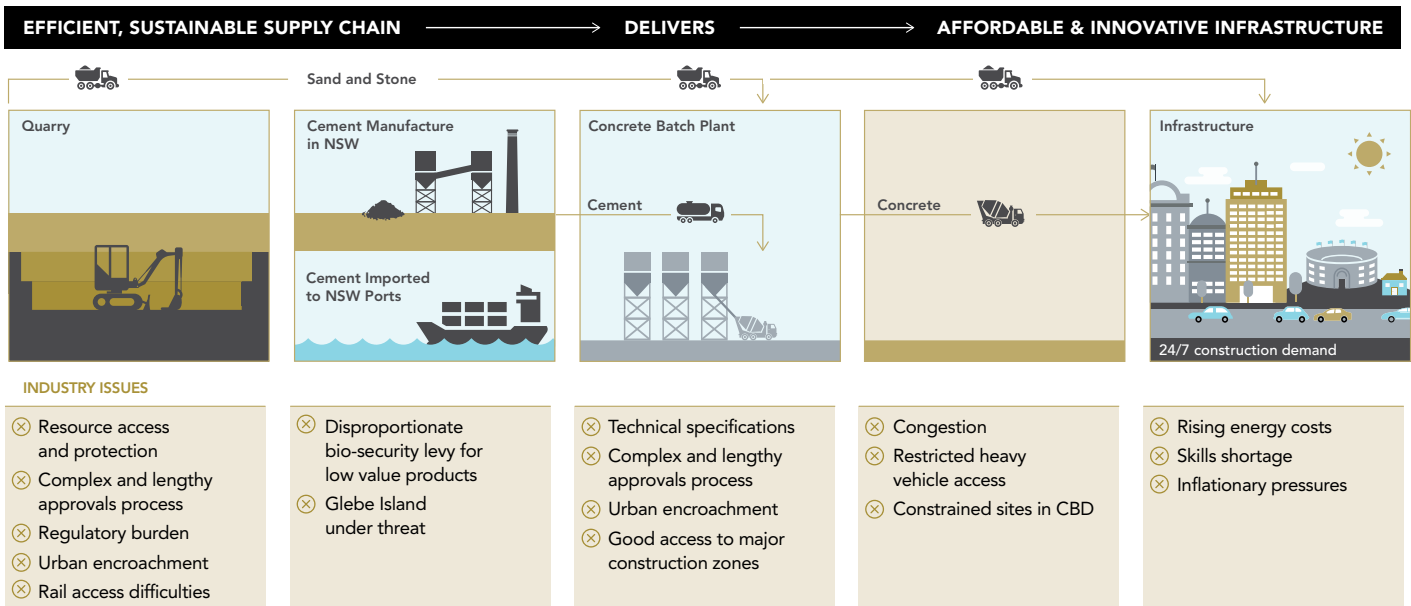
Local industry, supporting local jobs, on local projects in their local communities.



Heavy construction materials average **29%** of project costs*



HEAVY CONSTRUCTION MATERIALS SUPPLY CHAIN



FACILITATING ECONOMIC RECOVERY THROUGH STIMULUS, TAX RELIEF AND REGULATORY IMPROVEMENT



*The Impact of Heavy Construction Materials Prices on Infrastructure Costs, 2022, Macromonitors report prepared for CCAA

A HEAVY CONSTRUCTION MATERIALS SUPPLY STRATEGY FOR NSW

CCAA advocates for the development of an integrated NSW Heavy Construction Materials Supply Strategy to provide for the reliable and affordable supply of heavy construction materials to meet the needs of NSW.

A clear strategy, one that takes into account the complete supply chain (cement, aggregates, sand and concrete) is needed to guide investment, minimise infrastructure and housing costs and provide greater certainty for the community around future land use.

To put this into perspective, between now and 2036, at least 500 million tonnes of finished quarry products will be required to supply the Greater Sydney Region alone. These materials will then need to be transported to market either directly to projects or via a network of concrete batch plants, which must be situated within 45 minutes of their end delivery point.

It is imperative that this Strategy delivers tangible policy outcomes for industry including:

- › The identification and protection of extractive reserves from urban encroachment and sterilisation.
- › A review of the 2009 Ministerial Direction issued under Section 9.1 of the *Environmental Planning & Assessment Act 1979* to provide for a strengthened and dedicated Extractive Industries Direction that specifically protects extractive resource areas of strategic importance.
- › The mapping and protection of key freight routes for heavy construction materials.
- › Plan and provide access to port and rail facilities in close proximity to markets, particularly for movements of cement, sand and aggregates.
- › Ensure land-use planning allows for sufficient industrial lands to accommodate concrete batch plants, particularly in the Greater Sydney Region, and that they are not encroached upon by sensitive land users.
- › Review of current licencing and approval framework for quarries to identify opportunities and efficiencies for obtaining greater utilisation and productivity from existing quarry reserves.
- › Facilitate the circular economy such as End of Waste Codes for concrete demolition waste to be re-processed by quarries without additional planning consent.

KEY ENABLERS



NET ZERO & CIRCULAR ECONOMY

CCAA advocates for a shift from prescriptive to performance based infrastructure specifications, to enable innovation and maximise resource utilisation.

Overly prescriptive TfNSW specifications and restrictive material requirements are creating barriers to industry innovation and contribute to the increasing cost of infrastructure.

As the availability of certain materials comes under increased pressure, specifications need to provide flexibility for alternative materials and approaches.

Industry has reduced their carbon footprint over the past 20 years with the increased use of supplementary cementitious materials (SCMs). Reducing barriers will encourage further innovation leading to an even greater use of SCMs and reduced embedded carbon.



AN EFFICIENT AND RELIABLE FREIGHT NETWORK

The cost of freight can represent between 30-50% of the total cost of materials and this is at risk of rising due to increasing travel distances and network congestion. Further action is needed to address network inefficiencies, including:

- › Improved access for higher productivity vehicles (HPV), including a strategy to improve HPV access on Council owned roads.
- › Greater utilisation of the network outside of peak hours to reduce congestion through approvals for night time deliveries.
- › Address access constraints for rail and shipping to incentivise greater uptake of these transport modes.



STREAMLINED & PROPORTIONATE REGULATION – PLANNING, ENVIRONMENT & WHS

The industry is committed to the health and safety of its workers, operating in an environmentally responsible manner and working collaboratively with communities. In order to achieve this, regulation must be risk based. The cost of compliance should not become a barrier to investing in tangible solutions or a disincentive for industry investment in NSW.

- › Ensure planning processes are simple, efficient and streamlined, including the process for development approval renewals.
- › Establish schemes that incentivise improved performance outcomes, by rewarding high performing operators through a reduction in reporting burden.
- › Remove duplication across agencies, and between state and local government.



A TRANSPARENT & INDEPENDENT INFRASTRUCTURE PIPELINE THAT IDENTIFIES MATERIAL REQUIREMENTS

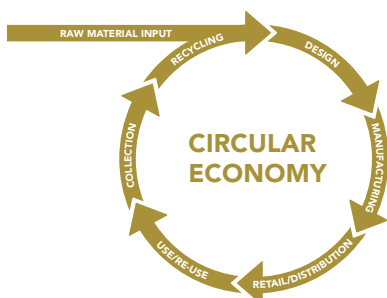
A method of measuring materials intensity of an infrastructure project should be developed to ensure that the material requirements of a project are known and reported on in infrastructure planning and pipeline reporting.

This will help industry to plan for future demand, while also providing an important data point for Government to better understand where supply constraints exist and then respond appropriately in order to avoid pricing pressure on infrastructure projects.

BUILDING A SUSTAINABLE NEW SOUTH WALES...

NEW SOUTH WALES POLICY PRIORITIES

- › The Cement and Concrete industry has declared its ambition to deliver net zero carbon cement and concrete to Australian society by 2050. This is supported by a new independent report titled *Decarbonisation Pathways for the Australian Cement and Concrete Sector* to facilitate this transition.
- › A sustainable supply of cement, concrete and aggregates are essential building blocks that support a circular economy and underpin the sustainable development of New South Wales. Government policy and specifications must support and incentivise investment in this sector.
- › Concrete is flood resilient, fire resistant, robust and strong. It has high thermal mass, helping to reduce building energy consumption, and can be recycled into road-base materials or aggregates. Concrete is the world's most widely used building and construction material and is vital to securing a resilient built environment that is sustainable for life.
- › Our industry is committed to the health and safety of its workers, operating in an environmentally responsible manner and working collaboratively with community and Government.
- › Aligned State and Federal energy and climate change policy is essential to minimising complexity and ensuring national targets are met. Instability in energy markets across Australia is of critical concern to our sector and must be addressed collectively by governments.



CCAA CALLS ON THE GOVERNMENT TO ACT NOW... ACTIONS

- › Further reforming of Government procurement to recognize the materials supply sector and provide for a more equitable sharing of risk.
- › Removing barriers for lower carbon concrete such as moving from prescriptive to performance-based specifications.
- › Supporting the NSW Circular Economy by making it easier for quarry operators to reprocess concrete without additional licences.
- › Ensuring that major construction zones have efficient access to concrete batching plants across the three cities of Sydney, Parramatta and Bradfield.
- › Ensure quarries and natural sand facilities are not pushed further away from the Greater Sydney Region.
- › Supporting Glebe Island as a port for the shipping of heavy construction materials.
- › Enhanced rail to maximise rail freight to accommodate more heavy construction materials.
- › Greater use of Manufactured Sands in the supply chain.
- › Facilitating reuse of currently uneconomic Coal Ash and other Supplementary Cementitious Materials (SCM's).
- › Prioritizing sustainable, resilient and efficient infrastructure for the future.
- › Supporting the development of a national plan to reduce the carbon footprint of cement and initiate carbon capture and storage.

IMPLEMENTING THESE CHANGES NOW WILL:



Help industry achieve its ambition of delivering Net Zero concrete by 2050



Keep people and communities safe and working



Ensure New South Wales continues to build our economy



Attract essential investment



Support timely delivery of critical infrastructure



Deliver affordable infrastructure & housing



Foster greater partnerships between Government and industry for the betterment of NSW

