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**Submission by email to:** [whs@marsdenjacob.com.au](mailto:whs@marsdenjacob.com.au)

Dear Sir

## **STRUCTURE OF MINING, PETROLEUM AND MAJOR HAZARD FACILITIES SAFETY LEGISLATION**

Cement Concrete & Aggregates Australia (CCA) is the peak industry body for the heavy construction materials industry in Australia including the cement, pre-mixed concrete and extractive industries.

CCA members account for approximately 90% of the \$7 billion in revenues generated by these industries that, between them, employ 18,000 Australians directly and a further 80,000 indirectly.

CCA members operate a vital industry that is the foundation of WA's infrastructure and construction markets and to the entire WA economy. As such, it is an imperative that the regulatory framework in which we operate is consistent, transparent and minimises regulatory burdens.

Our industry provides vital Basic Raw Materials (BRMs) to the construction and infrastructure markets; roads, housing and buildings typically cannot be constructed without the sand, stone and concrete that our members supply. It is therefore important that our industry is regulated in the most efficient and effective manner. In this regard, we submit the following comments on the consultation questions:

1. *Is the objective appropriate?: "to develop a regulatory structure that supports the delivery of high standards of safety in an efficient, equitable and consistent manner across mining, petroleum and MHF"*

CCA supports the objective of delivering high standards for health and safety. We also support an efficient, equitable and consistent regulatory framework. However, we have some queries about the efficiency gains that can be achieved through the amalgamation of laws covering mines, petroleum and major hazard facilities (MHF).

CCA believes that by adopting a one-size-fits-all approach to regulations creates a risk that controls meant to manage complex risk operations will be applied to less complex operations, such as BRM extraction. Quarries are typically a less complex form of mining, especially when compared to the petroleum industry.

The risk profiles of an open cut mine and a quarry are very different to that of an oil rig or MHF. The latter two operations face catastrophic risks that have wide ranging impacts on the environment and the community. A health and safety incident at a quarry is far less likely to impact the environment or the wider community.



As such, the regulatory framework must be proportionate to the operational risk profile and we believe that this can be achieved most efficiently by having a single regulator implementing two sets of laws, one for the mining industry and one for the petroleum and MHF industries.

**CCAA support the modernisation of health and safety laws for mining. We believe there should be separate, but consistent, laws for petroleum and MHF.**

2. *Are there any other objectives that should be considered in assessing the options?*

CCAA has been involved in the development of the national Work Health and Safety Legislation and the National Mine Safety Framework. In these processes we have advocated for the following outcomes:

- The objective of the new mine health and safety laws must be to improve health and safety outcomes through the application of risk based management systems that are proportionate to the nature, and complexity of the risks associated with the operation.
- To ensure that the new risk management systems do not impose a significant regulatory burden on industry, especially smaller operators, CCAA strongly believes that the extractive industry requires additional guidance material to ensure that it implements effective risk management systems that will improve our industry's health and safety performance. In this regard, we believe it is essential that guidance material, similar to the Small Mines Health and Safety Management Kit, be made available to our industry.
- CCAA does not support any measures that will divide our industry, rather we believe that all health and safety risks within our industry must be managed and controlled to help prevent injury to workers. As such, all provisions should apply to all mines based on the mine operator's risk assessment, not on an arbitrarily decided number of workers or production levels.

3. *Do you believe that Option 1 best fulfils the objectives identified?*

- a. *Which option best fulfils the reform objectives and delivers the greatest benefit for the WA community?*
- b. *Is this preference independent of potential outcomes of the streamlining and modernisation of the various Acts?*

CCAA supports Option 2.

CCAA supports a unified regulatory authority responsible for two sets of laws, one for the mining industry and one for the petroleum and MHF industries, as the two industries have significantly different risk profiles.

The amalgamation of one set of laws that manage the health and safety risks at mines, petroleum sites and MHF increases the risk of inappropriate regulations being applied to operations with different risk profiles. This increases the risk of regulatory burden, especially for less complex operations.

**CCAA supports Option 2, as it develops a regulatory framework that is consistent to each industry's operational risk profiles.**

4. *Are there other costs and benefits that are not identified?*

CCAA considers that health and safety laws should be consistent across Australia. There are large benefits to be achieved through the harmonisation process as companies apply a single set of management processes and compliance measures across the country.

CCAA acknowledges that complete harmonisation is no longer achievable in the near future. However, there are still benefits to be achieved through jurisdictions adopting consistent laws and regulations, particularly in the three major mining states Western Australia, Queensland and New South Wales.

5. *Are the costs and benefits correctly assigned to each option?*

CCAA has no additional comments on the cost benefit analysis at this stage.

6. *Do any of the options result in costs or benefits being distributed unfairly (e.g. increased costs to small business?)*

Provided that effective guidance material is provided to small operators and that the health and safety management laws are applied proportionate to the risks and scale of the operation then there should not be undue regulatory burden or costs for industry.

CCAA thanks Marsden Jacob Associates for this opportunity to make a submission on the structure of the new health and safety legislation. We would also welcome the opportunity to input further to ensure appropriate regulation for the BRM extractive industries.

Yours sincerely,



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