

The background of the slide is a black and white photograph showing rows of large, rectangular concrete blocks arranged in a grid pattern. The blocks are partially submerged in water, with ripples visible on the surface. The perspective is from an elevated angle, looking down at the blocks.

# Keeping Victorian Infrastructure affordable

Victorian Transport Infrastructure Conference 2024

Michael Kilgariff, CCAA CEO



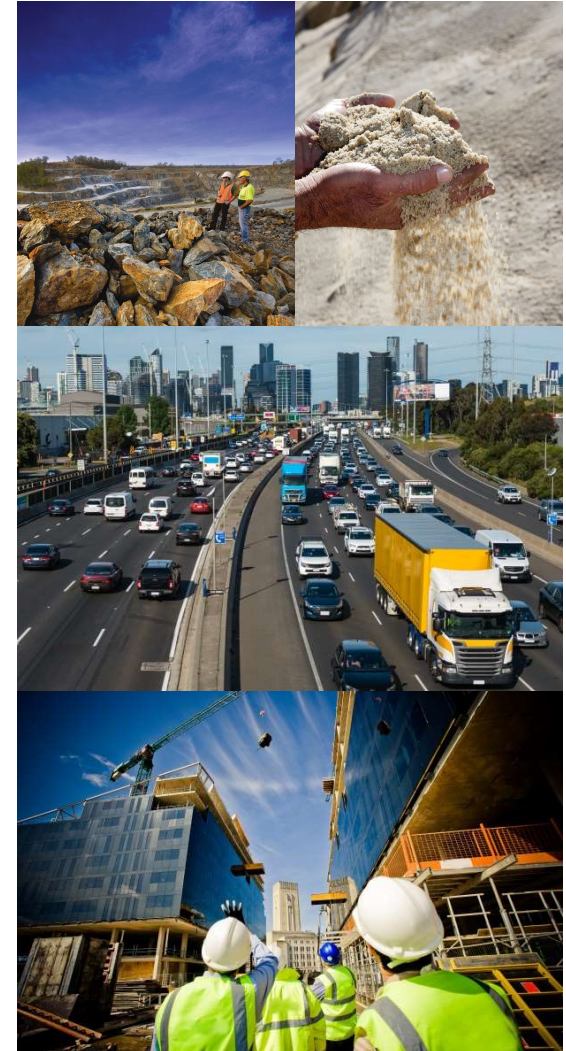
**CEMENT CONCRETE  
& AGGREGATES AUSTRALIA**

# About CCAA

**Cement Concrete & Aggregates Australia is the peak body for the heavy construction materials industry in Australia.**

CCAA membership produce the majority of Australia's cement, concrete & aggregates.

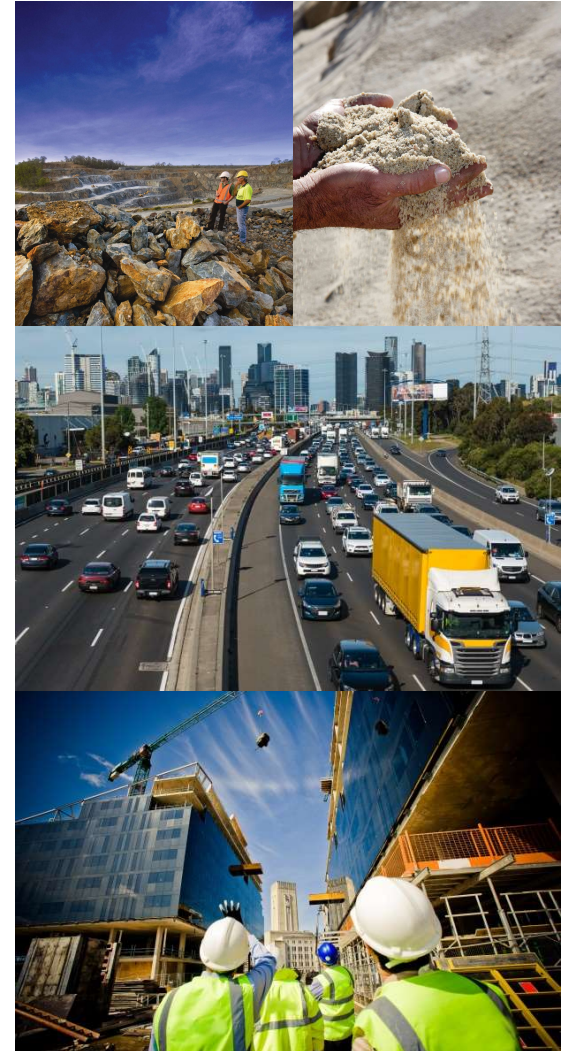
The industry generates approximately \$15 Billion in annual revenues and employs approximately 30,000 Australians directly and a further 80,000 indirectly.





# In Victoria

- Victoria, industry accounts for 24% of total freight by weight.
- Operates a fleet of 1,500 concrete agitators, 600 tippers, and 280 cement tankers.
- Efficient logistics are key - transport costs often make up 25% of final material prices.
- Close proximity to projects can significantly reduce these costs.



# CCAA Strategic Plan

## VISION & MISSION

We share a **vision** of a sustainable industry. Our **mission** is to create a sustainable operating environment in which our members can succeed.

### OUR ROLE

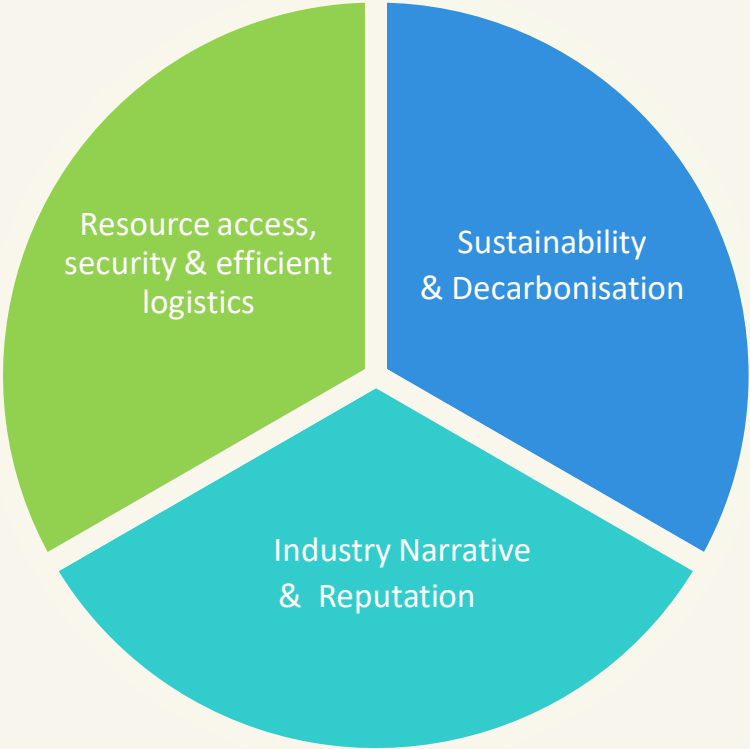
- > Influencing the political, regulatory and market environment to ensure industry's ongoing growth (this would include those groups which impact our market)
- > Supporting the industry's licence to operate
- > Leading the understanding of our industry and its vital role in society

### ENABLERS

- > **Representative** – a strong network of engaged members representative of industry
- > **Influential** – effective relationships with external stakeholders
- > **Capable** – skilled people
- > **Funded** – adequate financial resources

# CCAA Strategic Plan

- > Secure resource access to materials
- > Efficient logistics
- > Optimise regulatory and cost barriers



- > Link industry narrative to national challenges [infrastructure, housing, climate resilience]
- > Advocacy and social licence
- > Build industry reputation

- > Deliver Decarbonisation Facilitation Plan
- > Biodiversity
- > Circular Economy
- > Reporting & benchmarking
- > Codes & Standards

# Foundation Members



# Members

Allsands Pty Limited  
Alsafe Pre-Mix Concrete Pty Ltd  
Barossa Quarries Pty Ltd  
Barro Group Pty Ltd  
Baxters Concrete Pty Ltd  
Bedrock Quarry Products & Bulk Transport  
Benedict Industries Pty Ltd  
Brisbane City Council T/A Bracalba Quarries  
Broadway & Frame Premix Concrete Pty Ltd  
Burdekin Concrete Pty Ltd  
Buttai Gravel Pty Ltd  
Byrne Bros Pty Ltd  
B & J Catalano Pty Ltd  
CAMM Quarries & Concrete Pty Ltd  
CCS Materials Pty Ltd  
Clare Quarry Pty Ltd  
Clay & Mineral Sales Pty Ltd  
Cleary Bros (Bombo) Pty Ltd  
Concrete 4 Goulburn Pty Ltd  
Concrite Pty Ltd  
Daracrete Pty Ltd  
Delatite Pre-Mix Pty Ltd T/A Mansfield Pre Mix  
D K Quarries Pty Ltd  
Duggans Pty Limited  
Elvin Group Pty Ltd

Entire Concrete Pty Ltd  
Eziway Concrete (T&M Lynch Pty Ltd T/A)  
Flyash Australia Pty Ltd  
Forbes Concrete Pty Ltd T/A Lachlan Readymix  
Fulton Hogan Industries  
Gaspersic Contracting Pty Ltd  
Gunlake Concrete NSW Pty Ltd  
Hallett Group  
Hazell Bros Group Pty Ltd  
Hillview Quarries Pty Ltd  
Hunter Valley Concrete Pty Ltd  
Hymix Australia Pty Ltd  
Hy-Tec Industries Pty Ltd  
Independent Cement & Lime Pty Ltd  
Lime Industries Pty Ltd  
Mantina Quarries  
Mentone Pre Mix  
Metro Quarry Group Pty Ltd  
Metromix Pty Ltd  
Mini-Crete Pty Ltd Seven Hills  
MSD Construction Pty Ltd  
Neilsen's Quality Gravels Pty Ltd  
Newcastle SandNucrush Pty Ltd  
P.F. Formation Sand & Concrete  
Parkes Ready Mixed Concrete Pty Ltd

Pilatti Bros Transport  
Pilcher Pre Mix Concrete  
Pioneer North Queensland Pty Ltd  
Q-crete Premix Pty Ltd  
Quarrico Products Pty Ltd  
Ransberg Pty Ltd T/A WA Premix & WA Bluemetal  
Riverside Industrial Sands Pty Ltd  
RNB Trading Pty Ltd  
SA Premium Cement & Concrete Pty Ltd  
Santos Ready Mixed Concrete Pty Ltd  
Southern Cross Cement  
Southern Pacific Sands  
Southern Quarries Pty Ltd  
Stoney Pinch Pty Ltd T/A Stoney Pinch Quarry  
Sunstate Cement Ltd  
Supermix Concrete & Quarries  
Tandy Group Pty Ltd  
Tegra Australia Pty Ltd The Concrete Yard Pty Ltd T/A  
Queanbeyan Pre-Mix Concrete  
Treloar Civil & Quarries Pty Ltd  
Urban Resources Pty Ltd  
Wagners Holding Company Ltd  
Wallaroo Contracting Pty Ltd  
Western Suburbs Concrete  
Zanows Concrete & Quarries Pty Ltd

## Associate Members

Concrete Colour Systems  
Delmix Engineering Pty Ltd  
Fieldwick Crushing & Screening  
Found Concrete Pty Ltd  
GCP Applied Technologies  
Mapei Australia Pty Ltd  
Penetron

# Extractives are critical to affordability...

Every Australian needs **8 tonnes** per year of stone, sand, gravel and cement to build the roads, houses and other infrastructure.



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 50m<sup>3</sup> of concrete.



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

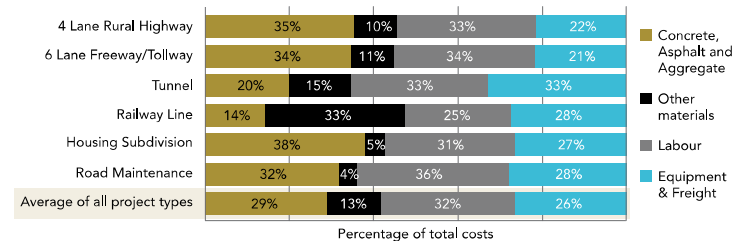


Heavy construction materials average



**29% OF PROJECT COSTS\***

## ESTIMATED PROPORTIONS OF TOTAL PROJECT COSTS BY TYPE OF PROJECT



Source: Macromonitors (2022)



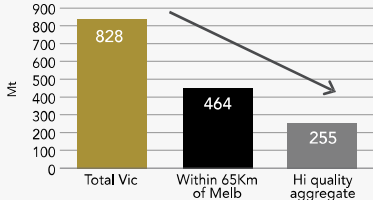
# Supply imbalance risk...

## 01

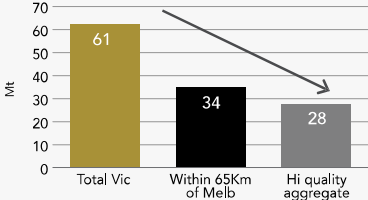
### DECREASING SUPPLY

Hard rock and sand reserves that are accessible to market today without additional approvals.

#### HARD ROCK



#### SAND



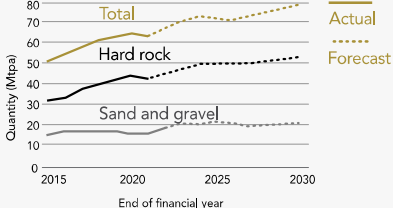
The latest Government Extractive Resources Pulse Check indicates that taking into account economic and technical factors, there is only limited sand and hard rock reserves close to market.

Government’s preliminary demand forecasts for hard rock and sand resources indicate an average annual growth of 3% from 2021-2030, much faster than the average growth in the previous decade.

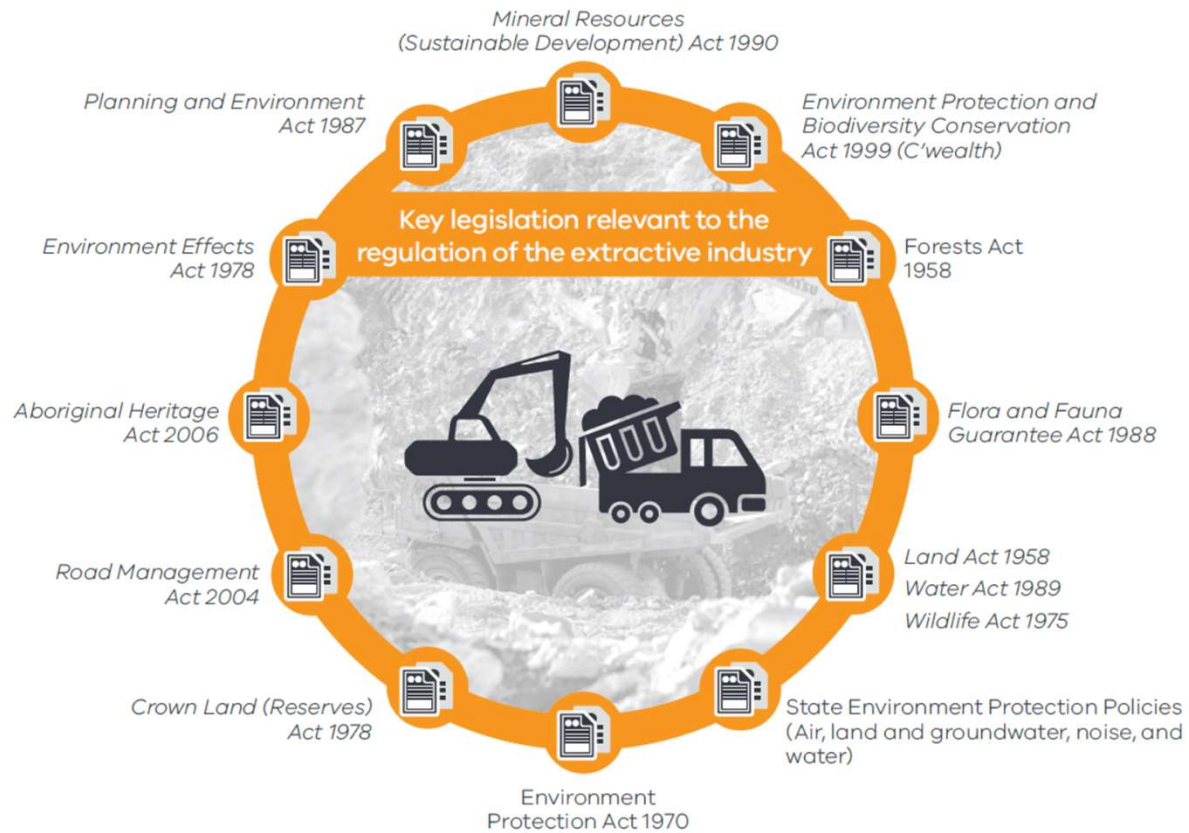
This is driven by the Government’s planned infrastructure works including Victoria’s Big Build and strong ongoing residential and commercial construction.

## 02

### INCREASING DEMAND



# Red tape barriers to new supply



# Nature Positive Laws

On May 29 the Albanese Government introduced:

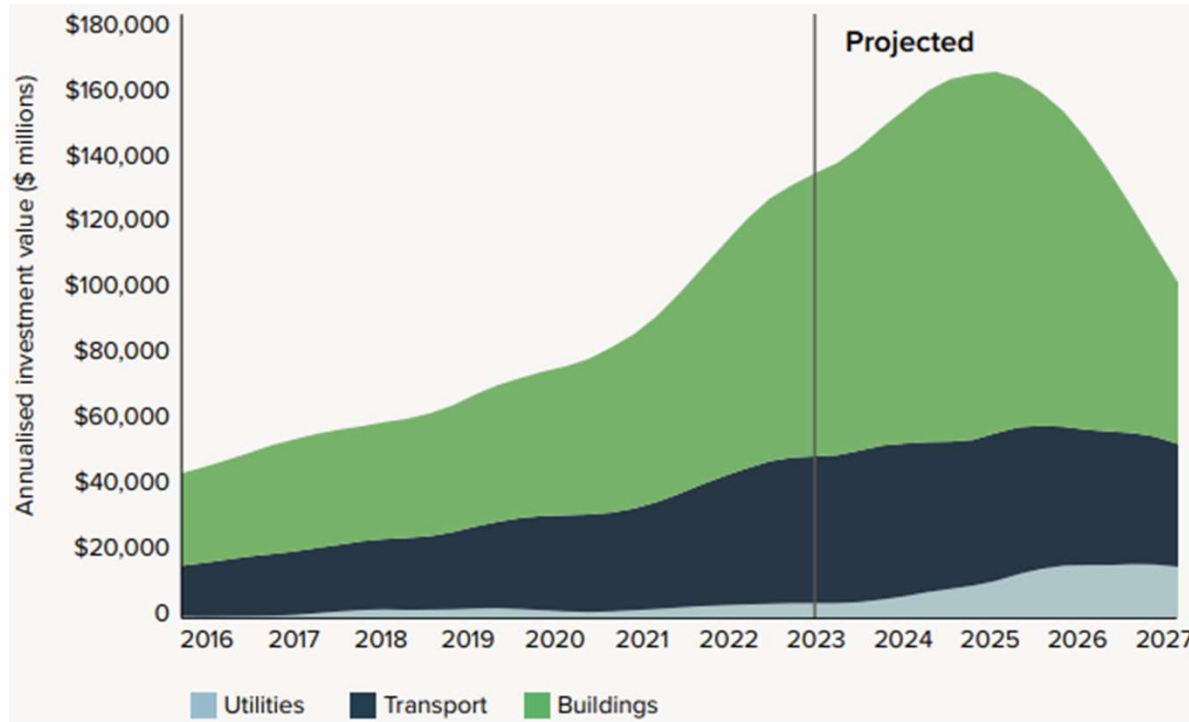
- **The Nature Positive (Environment Protection Australia) Bill 2024** to set up Australia's first national environment protection agency
- **The Nature Positive (Environment Information Australia) Bill 2024** providing a legal definition & reporting measure for 'nature positive' - in a world first

Follows a review of the [Environment Protection and Biodiversity Conservation Act](#)

- Industry concerned over duplication

# Infrastructure drives materials demand...

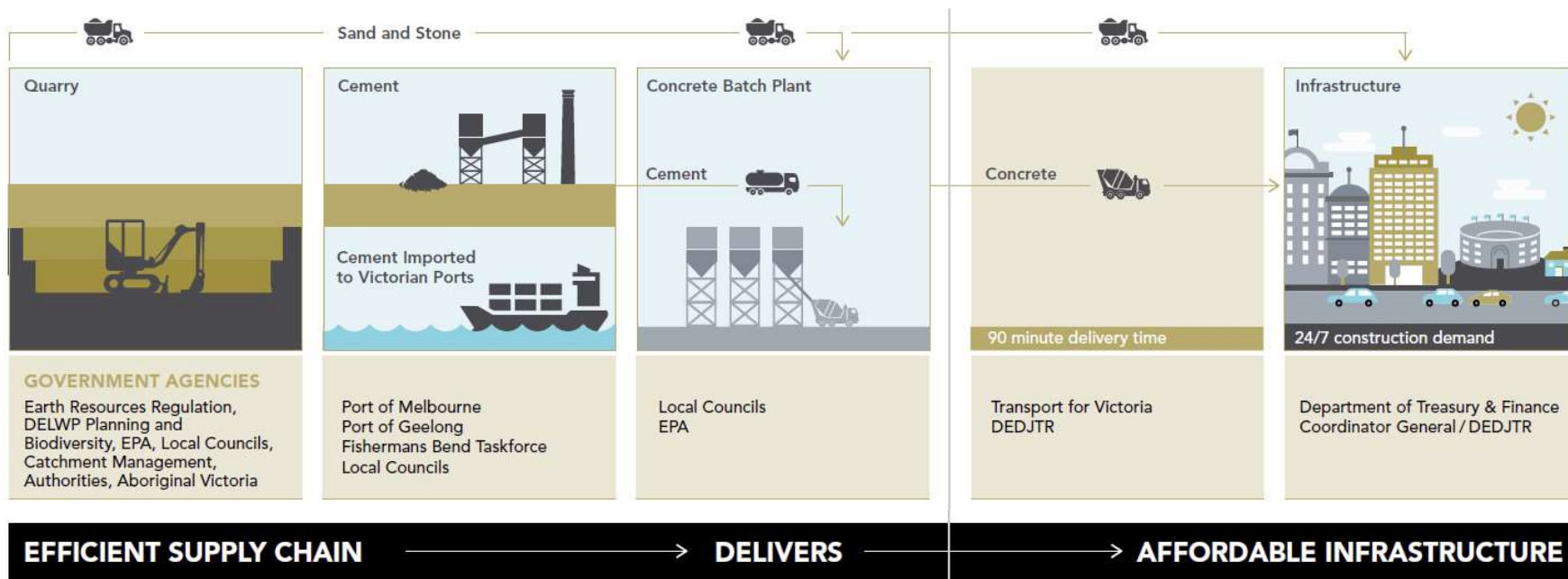
Figure 6: Combined Infrastructure (public and private sector) - annualised investments by sector



Source: Infrastructure Australia (2023).

# Efficient supply chain delivers affordable infrastructure

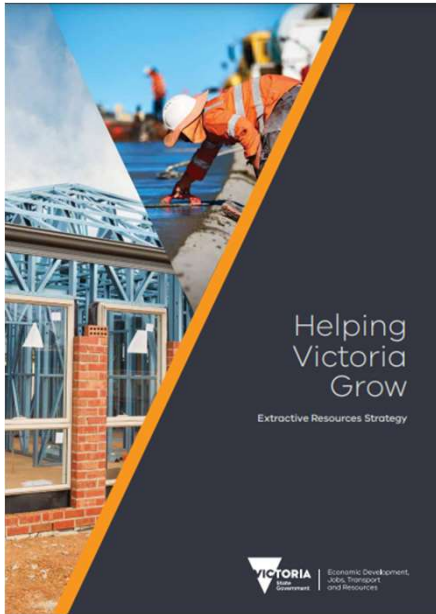
- Heavy construction materials are the largest cost component of infrastructure projects, averaging 29% <sup>1</sup>
- Reducing material costs facilitates affordable infrastructure projects and keeps *Victoria's Big Build* affordable



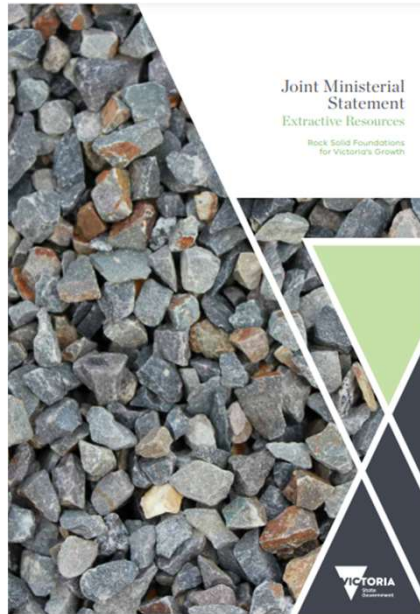
<sup>1</sup> Macromonitors 2022



# Landmark CCAA advocacy wins...



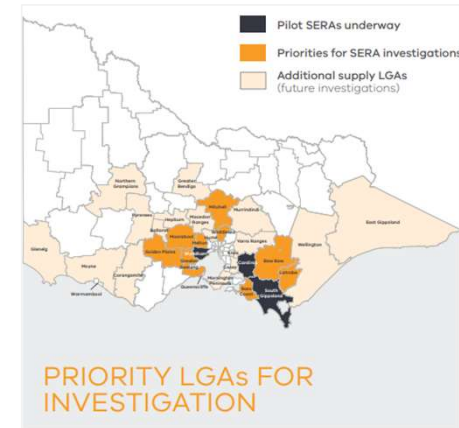
2018 Landmark Extractives Strategy (first in Australia)



2018 Joint Planning Resources Ministers chart protection path



2021 SERAs pilot + Roadmap for 8 and EIAs



2024, SERAs expanded & leveraged + Development Facilitation Program

# Quarry Boom Making Construction Cheaper

- Resources Victoria Approvals Coordination (RVAC) unit has increased approvals for new quarries close to areas of demand.
- For every one tonne of quarry material currently being produced, four new tonnes have now been approved for development to meet future demand and reduce prices.
- Victoria's quarry sector delivered record annual production of 73.6 million tonnes of rock, sand and gravel in 2022/23 – quarry production has soared by more than 14 per cent over the past three years.
- More than 300 million tonnes of new quarry resources are on-track to be approved for industry to develop, which is around four times more than the expected demand this year.

## Media Release

The Hon Lily D'Ambrosio MP  
Minister for Climate Action  
Minister for Energy and Resources  
Minister for the State Electricity Commission



Monday, 3 June 2024

### QUARRY BOOM MAKING CONSTRUCTION CHEAPER

The Alban Labor Government is boosting the supply of raw materials for construction – making sure we can deliver the new housing, infrastructure and renewable energy projects Victoria needs.

Since it was established last year, the Resources Victoria Approvals Coordination (RVAC) unit has increased approvals for new quarries close to areas of demand.

For every one tonne of quarry material currently being produced, four new tonnes have now been approved for development to meet future demand and reduce prices.

Victoria's quarry sector delivered record annual production of 73.6 million tonnes of rock, sand and gravel in 2022/23 – quarry production has soared by more than 14 per cent over the past three years.

More than 300 million tonnes of new quarry resources are on-track to be approved for industry to develop, which is around four times more than the expected demand this year.

The Earth Resources Regulator is approving more material for development year-on-year so quarries can expand to meet demand as infrastructure is built and upgraded. So far this financial year, 26 Work Plan applications, variations and updates have been approved so sites can grow compared to 18 the previous year.

RVAC helped Holcim Warrambool gain approval to extend the life of their quarry and bring more material to market sooner, ensuring the supply of materials to build wind farms throughout Victoria's south-west. Every wind turbine base requires over 1,250 tonnes of quarry material for construction.

It is a similar growth story for Boral Montrose and Fulton Hogan Tynong, on the outskirts of Melbourne, which can now deliver the raw materials needed for local Level Crossing Removal projects on the Lilydale-Belgrave and Pakenham-Cranbourne lines, thanks to approval of their expansion.

The Montrose quarry is also a key supplier for the new Boral Batching Plant at Bulleen, which will produce the equivalent of 200 Olympic-sized swimming pools full of concrete for North-East Link.

RVAC's purpose is to reduce approval times by case-managing resource development applications - their specialist support is helping a new sand quarry in Melbourne's southeast navigate planning approvals.

The Lang Lang Sands site is on track to be the first large sand quarry to open within 100km of Melbourne in more than 20 years. Sand is a vital ingredient for concrete and boosting its availability will reduce the likelihood of supply shortages in years to come.

Quote attributable to Minister for Energy and Resources Lily D'Ambrosio

"Improvements to regulatory processes and approvals are helping deliver more rock, sand and gravel while ensuring the right safeguards are in place to protect the environment and communities."

Quote attributable to Minister for Transport Infrastructure Danny Pearson

"Our investments in improving quarrying regulation in Victoria is delivering big benefits for our Big Build."

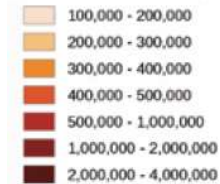
Media Contact: Liam Miles 0492 504 682 | liam.miles@minstaff.vic.gov.au

# Implementing reform

- **Strategic Extractive Resource Areas (SERAs)**
- Pilot project with South Gippsland Shire & Wyndham City complete 2021 and proven
- additional \$13.2 million to extend pilot to 6 other priority LGAs
- Transport links to market and Principal Freight Networks (PFNs)
- Provides certainty for community, government & industry
- Secures resource for the community into the future



LGA FY26 Shortfalls (Tonnes)



Supply Shortfalls to 2016 (PwC, 2016)

# Quarry Approvals Coordinator...



CASE STUDY

## Case study: Victorian Government Quarry Approvals Coordinator (QAC)<sup>10,11</sup>



### A successful pilot that delivered immediate results

In 2022, a Victorian Government study on quarry material demand and supply indicated the construction industries were facing pressure from unprecedented supply chain challenges.

The Quarry Approvals Coordinator pilot program was launched to directly respond to these challenges. It was tasked to engage with the quarry industry to secure the supply of quarry-based construction materials.

The Quarry Approvals Coordinator was a dedicated resource within the Victorian Government for industry, to make regulatory pathways and processes more accessible. The Quarry Approvals Coordinator case managed opportunities within its scope to ensure applications met the necessary requirements, and applications were prepared and submitted without unnecessary delay.

### Short term interventions

The primary goal of the QAC was to unlock, in the short term, additional supplies of hard rock and sand resources for development across Victoria. To do so, it worked with quarry operators to identify opportunities to expand existing operations via a change process known as an administrative update.

Alongside its core functions, the QAC also played a critical role in developing the government's emergency flood response for quarry materials, including facilitating Victorian planning provision amendment VC228. This amendment will enable quarries supplying materials for road construction and maintenance apply for a temporary extension of operating hours to assist in the state's flood recovery efforts. In the first instance, this material will assist deliver the government's \$165 million road repair blitz.

### Pilot outcomes

During its eight-month pilot phase, the Quarry Approvals Coordinator helped targeted quarries unlock more than 40 million tonnes of additional resources, including sand for concrete production and hard rock for road construction and maintenance. This additional resource would have otherwise not been realised.

### Medium term solutions

Following the success of the Quarry Approvals Coordinator, a further two years of funding was provided under the 2023-2024 Victorian State Budget to establish Resources Victoria Approvals Coordination. The funded initiative continues the work of the Quarry Approvals Coordinator with an expanded remit, including minerals development projects.



# Affordability relies on...

- A sustained predictable pipeline of work
- Resources Vic leading a more efficient, coordinated approvals process for 'market ready' material
  - Code of Practice to simplify low impact approvals
  - Mineral Resources (Sustainable Development) Act transitioning to duties based by 2027
  - Community confidence in the regulator
- De-risk investment attraction through planning certainty
  - Strategic resource planning Strategic Extractive Resource Areas, Extractive Industry Interest Areas maturing
  - Development Facilitation Pathway to support efficient planning decisions



## BUILDING A SUSTAINABLE VICTORIA

2022 State Election Agenda

### WORKING TOGETHER TO ENSURE THE EFFECTIVE SUPPLY OF CRITICAL CONSTRUCTION MATERIALS

- › Heavy construction materials are essential to building a sustainable Victoria. Every Australian needs 8 tonnes per year and they constitute 29% of project costs.
- › Government investment in infrastructure and housing stimulus is driving unprecedented demand.
- › Critically low sand and hard rock supplies require urgent State Government led approvals.
- › A largely local supply chain allows the State Government to approve extractive materials to drive affordability benefits for housing and infrastructure.
- › Cement imports require port planning protection and transport security.



# Key outcomes

- Release supply of stone and sand to the market to meet the increasing demand through:
  - Approvals & planning certainty
  - Positive international investment climate
- Facilitate an efficient supply chain that will keep Victorian infrastructure affordable



A black and white photograph of a large concrete structure, possibly a dam or a water treatment facility, with many rectangular concrete blocks arranged in a grid pattern. The structure is partially submerged in water, which is visible in the upper left portion of the image. The lighting creates strong shadows and highlights the texture of the concrete.

# Thank you

For more information go to [www.ccaa.com.au](http://www.ccaa.com.au)



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