

3rd November 2010

GAFP Submissions
Growth Areas Authority
Level 29, 35 Collins Street
MELBOURNE VIC 3000

Dear Sir/Madam

URBAN GROWTH BOUNDARY REVIEW

The Construction Material Processors Association (CMPA) welcomes the opportunity to provide input into the review of the Urban Growth Boundary.

The CMPA commented on the Urban Growth Boundary (UGB) review in July 2009 and following a review of the latest amendment CV68 we would like to congratulate the Growth Area Authority for incorporating a number of issues raised by the CMPA into the amended document.

This submission reiterates one point from the CMPA submission in July 2009 which we consider is vital for the future of Melbourne as it moves towards 2030.

Strategic assessment of Extractive Industry Interest Areas

The CMPA notes that urban development is scheduled to occur through large tracts of Extractive Industry Interest Areas (EIAs) in the west around Rockbank, in the north around Donnybrook and Beveridge, and in the east near Clyde. We understand that EIAs do not provide statutory protection for such resources or that extractive industry would be confined to these areas, however the CMPA is highly concerned that these interest areas may be reduced as a result of this review.

Any such changes which impact upon EIAs should only be finalised after detailed geological assessments have been made by Government, and the resource assessed considering the benefit it does, or can, provide to the community.

In addition this submission makes the following key points:

Unsustainable future of quarry products in the Melbourne Growth area.

Currently in Victoria, the yearly use of quarry products is approximately 10 tonnes per person (based on the last 5 years of sale of products¹). Based on the predicted population increase in Melbourne from 2011 to 2036 of 1,452,609 people², a total of approximately 14.5 million **additional** tonnes of quarry products, will be required over that period. To give some idea of the amount of quarry products that the Melbourne community will need over the next 25 years, simple calculations based on current usage and projected population growth show that approximately 1,374 million tonnes will be required.

Although these figures are simplistic, they highlight the fact that the UGB is going to require the use of considerable quarry products over the next 25 years.

¹ Department of Primary Industries, Statistical review, sourced from www.dpi.vic.gov.au

² Department of Planning and Community Development, Victoria in future 2008, sourced from www.dpcd.vic.gov.au

Research by the CMPA (*An Unsustainable Future- August 2009*) and the Cement Concrete & Aggregates Australia ³, has shown that material is being depleted at an accelerating rate from the existing work authority sites (quarries). Future work authority sites identified and currently located within the UGB will not be sufficient to cater for the required quarry products needed in the UGB by 2030. This leads to the need for future resources of quarry products to be identified and the land reserved for this use. There is no evidence that industry or the State is preparing for a future where there will be shortage of materials in the UGB. This issue cannot be ignored as it has major repercussions for future generations.

Obviously a key issue for Government and private infrastructure projects will be increases in costs of supply and the lack of suitable quarry sites within the UGB resulting in major increases in the transport costs of material to market. Hard rock and sand are significant cost components of concrete and roads. If quarries are forced to move further away from their market due to urban encroachment, increases in transport costs associated with longer haul distances from quarry to market will lead to significantly increased cost of infrastructure projects. In addition, there is greater environmental impact (greenhouse gases, air and noise pollution) and social costs (road maintenance, road accidents) from transporting materials longer distances.

If it is assumed that half of the additional construction material resources required for the UGB are derived from the nearest alternative source to the existing quarries within the UGB over the next 20 years, additional costs due to transport alone are estimated at **\$2.9 to \$4.7 billion**. This figure is derived using the figure of \$75 to \$121 per tonne to source alternative material, as quoted in the DPCD report⁴.

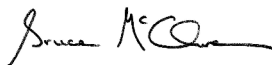
One further impact of the lack of suitable quarry sites within the UGB is that the choice of quarry products available will reduce and this unfortunately may lead to price increases through monopoly opportunities on supply.

Use of Buffer Zones

The CMPA acknowledges that the Growth Area Authority has recognised the need for suitable buffer distances from urban development encroachment and existing and proposed future work authority sites. Although for some work authority sites it may not be possible for any development or activity to occur within the buffer zones, for others it will be possible for certain activities to take place working in conjunction with the quarry. There will need to be strict guidelines and demarcation of responsibilities but such activities should not be ruled out.

I would be more than happy to expand on any of these issues in person to the Review team if required.

Yours sincerely,



Bruce McClure RFD,
C.P. Eng., AIMM
General Manager

³ CCAA, The impact of the native vegetation framework on extractive resources in the Melbourne supply area, 2009.

⁴ Department of Planning and Community Development, Delivering Melbourne's newest sustainable communities, background technical report 1: land capability, June 2009