

28 June 2024

Department of Transport and Planning

Via: <https://engage.vic.gov.au/engage>

Dear Sir/Madam

UPDATE OF THE VICTORIAN FREIGHT PLAN: DISCUSSION PAPER

Thank you for the opportunity to comment on the Update of the Victorian Freight Plan Discussion Paper.

CMPA is the premier representative body for the Victorian extractive resources industry. It represents a broad spectrum of those involved in construction material processing including construction and demolition waste recycling businesses and has a membership base consisting of over 200 quarries across the industry. Together, these members employ approximately 2000 Victorians which underpins the construction industry of almost 240,000 employees (<https://liveinmelbourne.vic.gov.au/connect/victorian-industries/transport-defence-and-construction>).

CMPA members are typically small to medium sized family, and private businesses, local government, utility providers and public companies. Many are regionally based employers and service local construction, infrastructure, and road maintenance needs. The extractives sector is a key pillar within the construction industry underpinning the growth and economic development of Victoria through supply of the construction materials.

In 2022/23, the sector supplied approximately 72 million tonnes of construction materials and 7 million tonnes of recycled construction and demolition waste (25% of total freight movement in Victoria) to the market, at a value of approximately \$1.4 billion directly supporting Victoria's \$80 billion Big Build (<https://bigbuild.vic.gov.au/about>) and the estimated 1.6 million new homes required by 2050 (<https://earthresources.vic.gov.au/geology-exploration/industry-investment/joint-ministerial-statement-on-extractive-resources>). Small to medium quarries account for approximately half of this production and is submitted to be a vital industry supporting the ongoing economic prosperity of Victorians. An additional 6.5 million tonnes of recycled construction and demolition waste was also produced.

The CMPA supports the principle of responsible, balanced legislation that is in the best interests of the State of Victoria and Australia.

Thank you for the opportunity to comment on the Discussion Paper and invitation to the Victorian Freight Plan Industry Summit (which I attended).

Discussion Paper Questions

Q: What are the three most important issues impacting your business that Government can help you respond to?

- Shortage of qualified experienced truck drivers.
- Congestion and poorly maintained roads leading to greatly increased maintenance budgets, impact on productivity.
- Lack of timeliness of Department of Transport and Planning permits e.g. difficult to obtain off route approval for pusher axles.

Q: What do you think are the most important new directions or actions that Government can include in the updated plan to address those issues?

Congestion disruption solutions e.g. accident on the Monash Freeway nowhere else for the truck to go. Consideration needs to be given to freight transport in design of road networks.

Development of a user-friendly application for PBS truck route planner.

Q: What technology or innovations could provide the greatest benefit to meeting the challenges identified for the Victorian freight system and what can government do to help with their adoption?

Gazetted roads for high volume units such as A doubles which have an 85 tonne capacity and currently cannot be used at maximum capacity going from the Southeast (now the major sand supplier for Melbourne) to the West side of Melbourne. Note that higher volume units mean less trucks on the road.

Q: Where should freight network investment be prioritised to deliver government action which can respond to the challenges identified?

Campaign to attract younger potential truck drivers to the industry.
Increase in road maintenance budget.

Q: How have freight volumes changed in your supply chain since 2018 and what is the outlook for growth?

There has been a 15% (63.0 - 72.3 million tonnes plus an additional 7 million tonnes of recycled products) increase in tonnages of construction materials transported in Victoria from 2018/19 to 2022/23. It is expected that for 2023/24 there may be a drop in tonnages due to a downturn in Government spending and struggling building companies, but this is thought to be an exception with the expected increase in population. Approximately 10 tonnes construction materials per person per annum are required.

Q: What is your business doing to prepare for this growth and what Government actions could support this?

The construction material industry is always exploring mechanisms for increased efficiency and productivity hence transport of greater volumes coupled with safety features such as automatic braking system, stability control and rollover control etc.

Q: What can government do to support industry to respond to supply chain disruption?

The supply of construction materials is effectively an essential service as deemed by the Victorian Government during the pandemic. Disruption of this supply chain has far-reaching consequences for Major Projects Victoria; residential development and roads maintenance etc, potentially impacting 240,000 construction workers in Victoria. Quarries need to be located near to where the material is to be used to reduce the carbon footprint as well as wear and tear of roads. A whole of Government approach is required to facilitate the approval of quarries to prevent disruption to the construction material supply chain.

Q: How can the existing model of collaboration developed to support the Voluntary Code of Practice be built upon or applied to other areas?

A code could be developed to ensure the construction materials supply chain remains ongoing and developed with industry groups such as CMPA whose members account for over half of the construction materials supplied in Victoria.

Q: How can government facilitate greater sharing and visibility/use of information across supply chains?

Information exists within the Victorian Government such as the Earth Resources Regulator (DEECA) Annual Statistical Report which details tonnages of construction materials transported in Victoria. A cross-industry reference group would lead to information sharing in such areas as congestion hotspots, reduced carbon footprint, new technology etc.

Q: Are there areas in which you are experiencing, or are expecting to experience skill shortages, or skills gaps related to new and emerging technologies?

In addition to increasing the pool of experienced drivers, original equipment manufacturers employee shortages need to be resolved also.

Q: What role can the Government play to help the industry to address skill shortages?

Campaign to attract younger potential truck drivers to the industry. Consideration to upskilling (English, NHVR requirements, driving skills, new and emerging technologies etc.) migrants with heavy goods vehicle licences.

Q: What are the key day-to-day challenges you experience caused by inconsistencies in rules and regulations between jurisdictions?

Generally, transport of construction materials occurs within Victoria - a high-volume low-cost material.

Q: What forms of harmonisation could provide the greatest benefits to your supply chain?

Last kilometre access can be an issue (though DTP has been proactive in this space recently) together with curfews impacting the industry at the intersection of State /Local Council responsibilities.

Q: How does the availability, usability and price of industrial land in Melbourne and other parts of Victoria compare with other Australian cities and states?

Limited impact on the extractive industry more so where the recycling of construction and demolition waste is conducted at an industrial site.

Q: How is land use planning impacting on your supply chain?

Land use planning is impacting the construction material supply chain through encroachment by residential development, for example, occurring on rock sources such as those identified through the extractive industry interest areas or the strategic extractive resource areas either for existing quarries or green field quarries especially in outer Melbourne.

Q: What overall priorities should government focus on measuring?

- The capacity of freight networks and gateways to meet current and future demand
- Freight and supply chain efficiency and productivity
- The impact of freight operations on the environment and communities
- The safety and resilience of Victoria's freight network

Q: What measures could government use to determine performance against each of the priorities?

- Levels of infrastructure performance such as journey time reliability or network capability
- Increased efficiency such as average loads and utilisation rates
- Reducing the impact of freight on external environments such as emissions and noise
- Improved safety and resilience such as crashes, rest areas and their capacity and facilities and freight network closures

I would be pleased to discuss these matters with you. Please contact me on 0434 692 618 or via email at elizabeth.gibson@cmpavic.asn.au in respect of any matter.

Yours sincerely



Dr Elizabeth Gibson
General Manager

