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**Request to be heard?:** No

**Precinct:** General

**Full Name:** Brian Hauser

**Organisation:** Cement Concrete & Aggregates Australia

**Affected property:**

**Attachment 1:** 171215\_CCAA\_su

**Attachment 2:**

**Attachment 3:**

**Comments:** Please see attached document



15 December 2017  
Fishermans Bend Planning Review Panel  
Planning Panels Victoria  
1 Spring St  
Melbourne  
VIC 3000

Submitted via online submission form

**SUBJECT: DRAFT FISHERMANS BEND FRAMEWORK**

Cement Concrete & Aggregates Australia (CCA) welcomes the opportunity to provide a submission to the Fishermans Bend Planning Review Panel on the draft Fishermans Bend Framework and the draft planning controls.

CCA is the peak industry body for the heavy construction materials industry in Australia including the cement, pre-mixed concrete and extractive industries. For your information, a list of CCA Victoria's members is provided in Appendix 1.

CCA members nationally account for 85% of total industry output, which contributes nearly \$12 billion to Gross Domestic Product, employ 18,000 Australians directly and supporting the employment of a further 89,000 people. CCA members produce and supply the heavy construction materials that are used to construct Victoria's infrastructure. Providing both the raw material and finished product, heavy construction materials contribute to the construction of our roads, railways, bridges, ports, airports, hospitals and schools.

CCA's members service local, regional and national building, construction and infrastructure markets. The reliable and cost-effective supply to these markets is fundamental to sustainable growth and it is CCA's aim to promote policies that recognise the importance of these materials to Australia's sustainable future.

CCA supports the development of a strategic planning framework for Fishermans Bend that leverages off the natural commercial advantage of port access close to the CBD with the existing and emerging Employment Precinct that operates in conjunction with the identified residential and mixed use precincts.

CCA makes the following comments:

**CCA strongly supports Objective 2.5 - Protect Port of Melbourne activities to expand and enhance the long-term economic viability of Melbourne and access to global markets.**

Specifically, CCA **strongly supports** the continued operation of the **Melbourne Cement Facility**. The bulk cementitious (cement & fly ash) dispatch terminal at 750 Lorimer St and 26 South Wharf commenced operation as Independent Cement & Lime in 1987. In 1992, a joint venture between ICL and Cement Australia, known as the Melbourne Cement Facilities (MCF) was established to manage ship unloading and redistribution of cement for the broader Victorian construction materials market.

Berth 26 and the adjoining 1.1ha of wharf land are leased from Port of Melbourne Corporation. MCF has priority use of 26 South Wharf and has constructed two 35,000 tonne cement silos and other truck tanker load-out facilities on this site. MCF also operates from approximately 2.8ha of land opposite Berth 26, at 750 Lorimer.

This site is used for additional cement and fly ash storage from ship discharge as well as production and distribution facilities.

In 2015 over two million tonnes of cementitious products representing 75 per cent of the Victorian market was imported by ship from Tasmania and South Australia through the MCF terminal. This translates to 139 ship arrivals in 2015 with recent growth in demand expected to increase ship arrivals.

### **Economic importance**

In Victoria, cement, concrete and other heavy construction materials are typically the **single biggest cost component** in the infrastructure delivery chain, having a larger impact on cost than labour and equipment.

Concrete, made from cement, stone and sand, is the largest volume material supplied to the Victorian construction industry. The demand for cementitious materials in Victoria is at record levels and with major infrastructure projects still to commence, demand will continue to grow strongly over the next decade for not only concrete but other products that use cementitious materials, such as tiles, pipes, culverts, precast elements, etc.

The economic supply of cement is critical to Victoria's \$22 billion building & construction industry that employs around 240,000 people.

The sustainable supply of affordable heavy construction materials facilitates the delivery of affordable high rise buildings, houses, schools, hospitals, roads, bridges and other infrastructure. It also facilitates the affordable development of major urban renewal projects such as Fishermans Bend.

### **MCF and Fishermans Bend**

Existing port facilities such as the MCF proximal to the Melbourne metropolitan construction market provides a unique supply chain economic advantage over markets such as NSW where cementitious materials are delivered to the Sydney market from locations well out of the city.

The additional road freight generated by an alternative cement facility has significant downsides compared to the centrally located MCF location including:

- The increased congestion due to road tanker haulage. The annual MCF throughput is equivalent to about 80,000 one way trips for a cement tanker, and
- The cost of this additional freight in Sydney is estimated to be about \$15/tonne of cement or \$5/m<sup>3</sup> (2.5 per cent) to the price of premixed concrete.

In summary this has the potential to:

- Add \$32 million to the cost of Victoria's premixed concrete production,
- Add significant indirect costs due to longer transport movements and road wear,
- Add a large increase in heavy vehicles on the road into and out of the CBD,
- Increase road congestion and the risk of traffic incidents, and
- Increase the CO<sup>2</sup> emissions resultant from the increased requirement to haul cement on road.

The proximal nature of the MCF to key markets ensures Victoria enjoys minimisation of unnecessary and avoidable construction costs, facilitating the delivery of affordable infrastructure and emphasises the importance of the existing MCF terminal location.

Development of the Fishermans Bend urban renewal project and the associated land encroachment/buffers and planning issues also need to understand the economic importance of the MCF and to take this into account when planning this major urban transformation project

### **Cycling path along Lorimer St.**

Figure 7 of the draft Fishermans Bend Framework indicates an on-road cycling path is proposed along Lorimer St.

CCAA **recommends** that any on-road cycling path would have to be carefully designed to ensure appropriate separation from heavy vehicles to avoid potentially hazardous interactions between cyclists and heavy vehicles given that Lorimer St is to maintain its essential freight route status as outlined in Strategy 2.5.4 and 2.5.5.

### **Concrete batch plants in Lorimer Precinct**

The Draft Framework notes that the development of the Lorimer Precinct will need to consider the existing industrial uses, including the Pronto concrete batch plant in Rogers St and the Hanson concrete batch plant in Boundary St. The Fishermans Bend Buffer Assessment 2016 report also indicated that dust and noise buffer requirements around these plants would potentially limit the future development of the Lorimer Precinct and suggests that these plants be relocated in the future.

CCAA **recommends** that the legitimate operation of these plants be allowed to continue under normal commercial considerations and that compulsory acquisition of these sites is not considered.

CCAA looks forward to working with Government to further develop future planning and opportunities for the Employment Precinct over the next 12 months.

Yours sincerely



Brian Hauser  
**State Director Vic/Tas**

**APPENDIX 1**

**CEMENT CONCRETE & AGGREGATES AUSTRALIA**

**MEMBERSHIP**

**FOUNDATION MEMBERS**

 <i>Adelaide Brighton Ltd</i>	 <b>Boral Construction Materials</b>	 <b>Boral Cement Limited</b>
 <b>Cement Australia Pty Ltd</b>	 <b>Hanson Australia Pty Ltd</b>	 <b>Holcim (Australia) Pty Ltd</b>

**VICTORIA**

**ORDINARY MEMBERS**

Alsafe Pre-Mix Concrete Pty Ltd Barossa Quarries Pty Ltd Barro Group Pty Ltd Baxters Concrete Pty Ltd Broadway & Frame Premix Concrete Pty Ltd	Fulton Hogan Industries Hillview Quarries Pty Ltd Hymix Australia Pty Ltd Independent Cement & Lime Pty Ltd Kennedy Haulage Pty Ltd	Mentone Pre Mix Metro Quarry Group Pty Ltd Premier Resources T/A Hy-Tec Industries Pty Ltd Volumetric Concrete Australia Pty Ltd
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**ASSOCIATE MEMBERS**

Agi-Kleen Pty Ltd BASF Australia Pty Ltd Concrete Colour Systems	Concrete Waterproofing Manufacturing Pty Ltd T/a Xypex Australia GCP Applied Technologies	Sika Australia Pty Ltd WAM Australia
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