Boral in Victoria

- Boral is Australia’s leading producer and supplier of building and construction materials. We have interests across Australia, North America and South East Asia.
  - Business lines include Construction Materials (Quarries, Concrete, Asphalt, Waste Solutions, Logistics); Building Products (Bricks, Roof Tile, Masonry, Timber, Plasterboard) Construction Related Business (Dowell Windows); and Cement.

- Victoria supplies around 20 percent of Boral’s overall revenue.
  - Head Office in Port Melbourne
  - Around 1800 employees
  - More than 100 business sites, with almost 90 of these operations.
  - 16 operating quarries in Vic supplying over 8M tonne pa to >1500 customers

- Recent track record of investment for future growth
  - Dunnstown Quarry ($30M +)
  - Ballarat Asphalt ($6M)
  - Port Melbourne Plasterboard ($80M)
Investment in Victoria may be Impacted by Regulatory Burden

- Applications for new Quarry operations or extensions of existing sites are subject to increasing regulation and cost.

- EES process is costly, time consuming, and provides no guarantee of an outcome.

- Repetition of process and tasks is increasing cost of applications.
  - Limited coordination between government agencies in application process.

- Increasing costs will decrease competition, increase product prices, and discourage investment in Victoria.
Competing Land Uses Have the Potential to Increase Costs and Reduce Competition

- Urban encroachment has been allowed without consideration of impact on State Significant resources.

- Many metropolitan operations are under threat from aggrieved neighbours.

- State and local planning provisions need to protect resource positions and allow compatible development.

- Planning decisions need to take a long term focus (>20 years).
Environmental Issues Should be Balanced Against the Need for Resources and Development

- Focus on environmental protection over the value (and need) for the resource.

- Requirement for vegetation offsets is resulting in small parcels of land with high maintenance costs (Deer Park example).

- Little consideration given to the post quarrying land uses under the Native Vegetation Framework
Victoria’s Competitive Advantage of Having Resources Close to Market is Under Threat

- Average delivery lead to jobs will increase significantly as operations are forced away from markets (Sydney experience).

- Transport costs are typically 30-40% of total cost.

- Increasing the distance to market has economic and environmental disadvantages:

  **Eastlink Project**
  - Aggregate supplied predominantly from Montrose Quarry
  - Supply from alternative sources would have incurred
    - Additional $30M in transport costs
    - Social cost circa $3.5M
    - Increased carbon emissions of 6,000 tonnes