

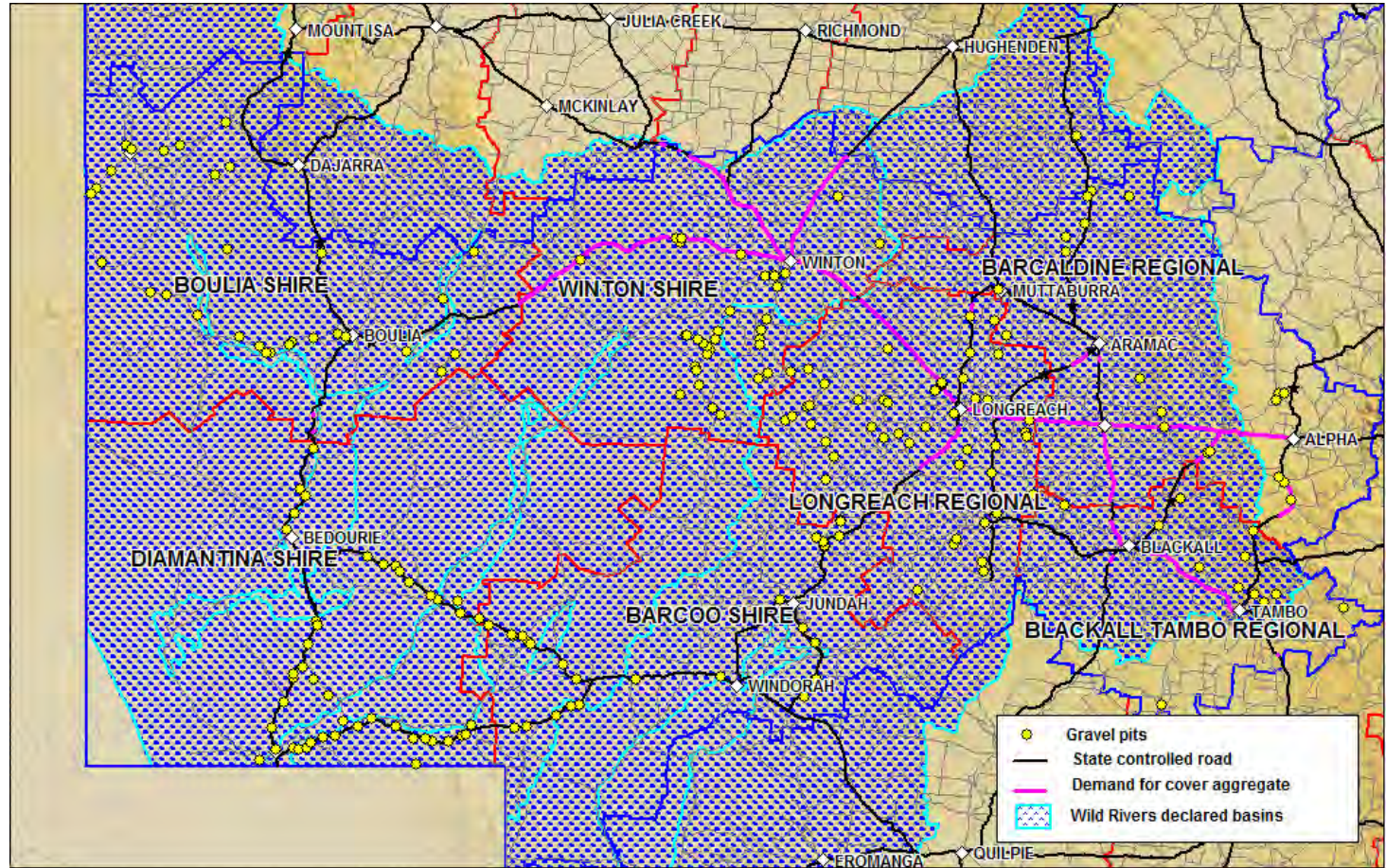
The Cooper Creek Wild River Declaration took place in Dec 2011.

For the Central West LGA's, 223 known gravel pits out of a total of 232 are within the Wild Rivers Area (or 96%).

Figure 36 shows the location of the gravel pits identified in a current SKM study of environmental issues associated with roadbase/gravel supply sources for DTMR for the Central West Region.

Until Dec 2011, a Gravel (or Borrow) Pit approval could take a month and was code assessable, provided the resource could be worked under a DERM Code of Compliance and the gravel pit was not within a Wild Rivers Declared Area.

There is concern that without amendment of the DERM extractive code to allow code assessable gravel extraction from a gravel pit, approvals could take 6-9 months and road reconstruction works in Western Queensland could be delayed.



**FIGURE 36: CENTRAL WEST REGION – BORROW (GRAVEL) PIT LOCATION AND COOPER BASIN WILD RIVER DECLARED AREA**

The (geological) shortage of hard rock in Western Qld has necessitated the use of local materials for local road construction materials. These materials include Tertiary duricrust surfaces (silcrete and ferricrete), lateritised alluvium from linear ridges of ancient river beds and residual silcretes/shaley limestones such as 'Gidgee' or 'Kopi' stone. (Source: Qld Geology", Chapter 12: Engineering Geology, in prep, contributor Kyle Waye).

From a total of 232 borrow pits in the shires of the Central West region 223 lie within the Wild Rivers declared area for the Cooper Basin. A further 20 borrow pits could be similarly affected in the South West Region.

The Cooper Creek Wild River Declaration 2011 places additional constraints on extractive industry – likely making development applications more complex, more time-consuming and more costly.

Prior to the legislation, the environmental licensing to extract from a gravel deposit as a source of road material, was code assessable provided the activity was low impact, under 100ktpa and NOT in a Wild Rivers Area etc.

Under the new legislation, gravel pits can't comply with the DERM Code for extractive industry (ERA 16).

The applicant must also demonstrate that there are no other suitable sources of material available; and an MCU for an extractive industry becomes a prohibited use in "waters" in a wild river area, unless an allocation notice is issued.

It is not clear what all the terms mean insofar as they relate to extractive industry. The changes create more restrictions, and a more complex regulatory regime (for even low impact extractive industry) that could add 6 to 9 months for an approval to source gravels for a road project.

**COOPER CREEK BASIN WILD RIVER DECLARATION 2011**

**Legislation - Chapter 3 Taking of natural resources**

**9. Quarry material allocations**

(1) This section applies to applications for the allocation of quarry material in the wild river area under the *Water Act 2000*.

(2) For an application under the *Water Act 2000*, section 280, if any part of the application relates to the wild river area, the application is taken not to have been made unless the quarry material is to be used in the wild river area.

(3) If any part of the application relates to a wild river area, the application will not be granted unless it can be shown that there is no other suitable source of material that is —

- (a) outside a watercourse; and
- (b) within a reasonable distance from where the quarry material will be used.

**Legislation s57. Environmentally relevant activities (prohibited activities)**

- (1) The following development is prohibited under the *Sustainable Planning Act 2009*, Schedule 1, item 9—
- (a) an environmentally relevant activity (ERA), or a material change of use of premises for an ERA; and
  - (b) assessable development prescribed under section 232(1) of the *Sustainable Planning Act 2009*; and
  - (c) to the extent it involves development in waters in a wild river area that is for an extraction ERA, other than if the development application is accompanied by an allocation notice.

**EXTRACT FROM EXISTING DERM CODE FOR CODE ASSESSMENT OF CERTAIN ERA 16 ACTIVITIES**

**DERM Code of environmental compliance for certain aspects\* of extractive and screening activities (ERA 16) Version 6 Code Assessable Criteria**

The activity applies to the extraction and screening of material for the construction or maintenance of rail transport infrastructure and roads.

The quantity of material extracted or screened at any one site is between 5000 and 100,000 tonnes per year and the maximum area of disturbance is 1.5 hectares.

There is no intentional or negligent release of contaminants to waters from the activity.

4. The activity will not be carried out in: a protected area; or in a Wild River Area as defined in the *Wild Rivers Act 2005*.

The activity does not include the use of explosives. The activity occurs in daylight hours and between the hours of 6am and 6pm. The activity does not occur within 1 kilometre of a sensitive place. The activity does not occur within 100 metres of any watercourse, wetland or spring.

The suitability of other resources and what constitutes a reasonable distance are not defined – this adds uncertainty and complexity to any application for removal of gravel materials.

Existing low impact extractive industry applications can no longer comply with DERM's code because the gravel (borrow) pits are in the Wild River Area. Presumably (though it is not clear), this suggests a more complex approval process adding considerable uncertainty, time delays and costs.

## 8. Recommendations

TABLE 9: SUGGESTIONS TO MITIGATE SUPPLY-SIDE CONSTRAINTS

### OVERCOMING SHORTFALLS AND RESTORING THE DEMAND SUPPLY BALANCE in CDA's



**TABLE 9: Suggestions to Mitigate Supply-Side Constraints**, provides suggestions to address, mitigate or overcome quarry material supply-side constraints and thus increase discretionary supply to TNRP, Q Trip and Qld RA projects.

An overall estimate of the relative impact of the constraint on the discretionary supply from Strategic Quarries in CDA's is shown in the third column.

The most effective initiative to improve discretionary supply is to ensure advanced notice/sufficient warning is provided to quarries, for the supply of roadbase and pre coat aggregate materials.

Other crucial productivity initiatives include streamlining approvals & licensing, providing stockpiling options, basic training on products and managing truck logistics.

Constraints Area Modifying Factors	Constraints Description	Relative Impact	Suggestions & Recommendations to Mitigate Constraints
Market/ Customer/ Competitive Choice	Lack of Forewarning/Communication - Quarries in CDA's with discretionary supply capacity need forewarning & 1-3 months notice for TNRP supply; Little or no stock; Quarries say they can satisfy TNRP peak demand provided they are given adequate notice - eg Can add extra shift, schedule campaign crushing, help secure access to labour and C&S plant, arrange road haulage contractors	55%	<ul style="list-style-type: none"> <li>Establish permanent communication channel(s) with extractive industry (eg website on TNRP/Qld RA) on locality and timing of need for quarry materials</li> <li>Provide quarries with forewarning of need to supply</li> <li>Regularly update discretionary supply capabilities of Strategic Quarries in CDA's</li> <li>Allow product supply in crucial areas into project stockpile before project commencement</li> </ul>
Truck Transport	Insufficient truck availability during peak demand; Problem reduces with production and delivery in advance of projects; Cartage price increases during term of supply contracts; Access for road trains; Haulage restrictions; Driver experience / driver fatigue; Larger loaders needed for peak supply (eg Multiple Road Trains)	15%	<ul style="list-style-type: none"> <li>Can reduce by providing sufficient notice to quarries so they can organise/recruit/schedule trucking prior to project; but is fairly intractable</li> <li>Check Strategic Quarries for Road Train access</li> <li>Trucks from interstate program?</li> </ul>
Processing	Reliance on mobile plant & campaign crushing (cf fixed plant); Capabilities of contract crushing firms (labour; skills; expertise); Most quarries don't have pre-coat plants	10%	<ul style="list-style-type: none"> <li>Engage with contract crushing firms to assist in mitigating relevant supply constraints</li> <li>Suggest road contractors have pre-coat agg. contingencies</li> </ul>
Approvals & Licensing	Access to reserves; DERM ERA thresholds; DA's currently under assessment; DA's for accommodation camps; Extended hours of operation; Sales of quarry materials from mining leases; Access road/entrance requirements; Native title requirements & exemptions	8%	<ul style="list-style-type: none"> <li>Accelerate DA approval process for Strategic Quarries and Quarries of Interest</li> <li>Consider rolling average for DERM ERA thresholds; allow code compliance for strategic quarries</li> <li>Simplify/fast track small accommodation camps</li> </ul>
Resource & Extraction	Lack of pit planning (eg campaign sites); Quarry dev. plans (DEEDI OH&S requirement); blast logistics; O/B or stripping ratio; Variability of basalt quality (SMC etc; efficacy of specs.); Poor sampling/testing knowledge in CDA's amongst quarries and some labs	8%	<ul style="list-style-type: none"> <li>Update Strategic Quarries List</li> <li>Investigate Quarries of Interest</li> <li>'Activate' dormant strategic quarries</li> <li>Consider case by case basis for marginal quarry products from Strategic Quarries</li> <li>Initiate basic sampling &amp; testing courses</li> </ul>

### EASE OF IMPLEMENTATION v INCREASE IN DISCRETIONARY SUPPLY

This chart provides an indication of ease of implementation of actions to overcome supply-side constraints and their effectiveness in increasing discretionary supply.

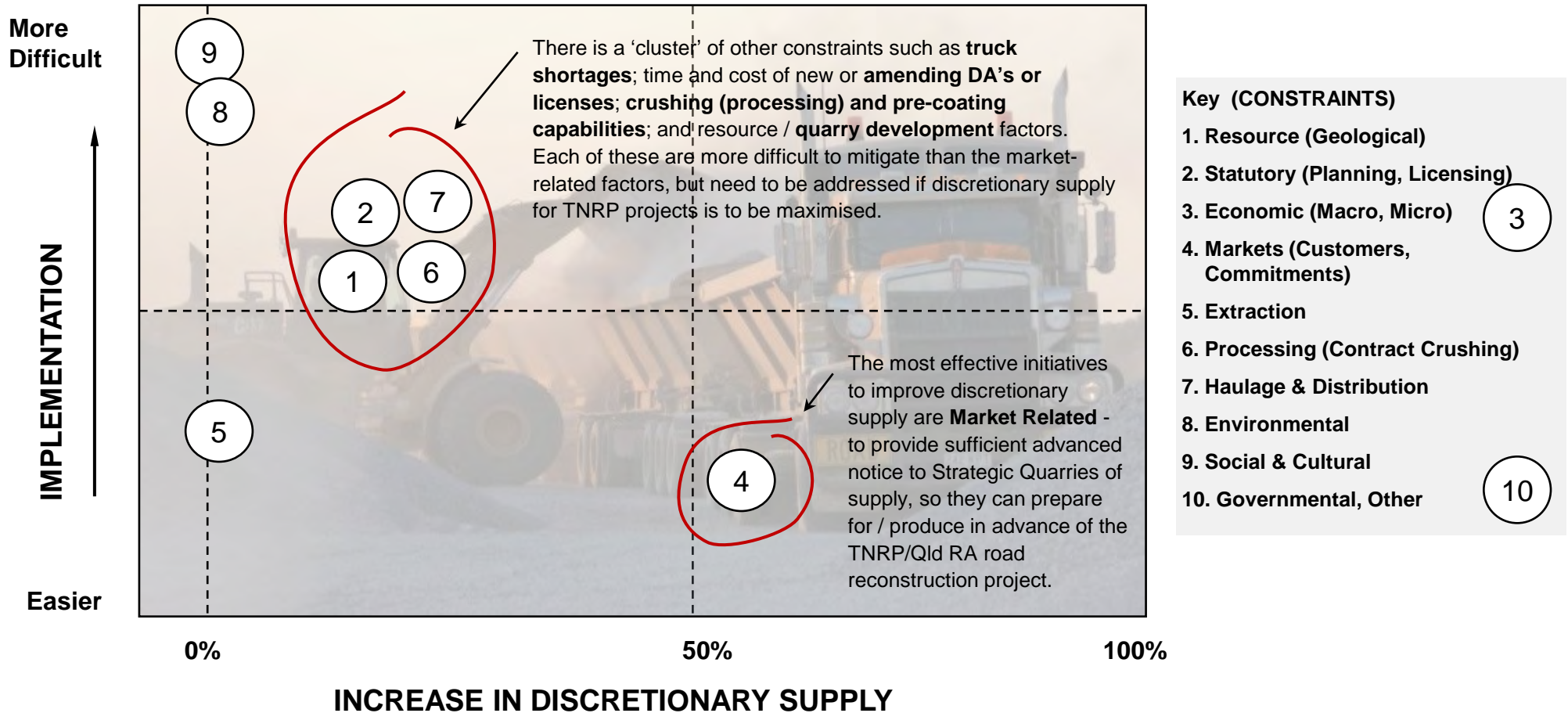


FIGURE 37: HARD ROCK QUARRY PRODUCT SUPPLY CONSTRAINTS in CDA's - EASE OF IMPLEMENTATION v INCREASE IN DISCRETIONARY SUPPLY FOR STRATEGIC QUARRIES