

Panel Discussion - International Perspectives On The Construction Materials Industry (Friday Afternoon)

The purpose of this session is to get an international perspective on the construction materials industry, and for the audience to reflect what this might mean for the Australian industry. The session will include two presentations (one with a Europe perspective, and one with an Asian perspective), followed by a panel discussion.

a) DAVID HOGAN (CHINA/HONG KONG PERSPECTIVE) In broad terms, he will share with the audience an international perspective on the modernization of quarrying contracts in Hong Kong that produce high value land formations and an introduction to the Mainland China Quarry Industry.

b) JIM O'BRIEN (EUROPE PERSPECTIVE) Jim will focus on "Developments in Europe - Implications for the Construction Materials Industry in Australia". He will talk about (a) economic, political, energy and climate change developments in Europe; (b) European legislative and regulatory developments and their impacts on the construction materials industry and (c) potential implications for Australia - and what Europe might learn from Australia !

c) KEN SLATTERY (AUSTRALIAN PERSPECTIVE) Ken will not be giving a specific presentation, but will be joining the panel. Some of the key issues for the Australian construction materials industry include:

- *overall construction industry demand/growth.* Unlike Europe, Australia didn't suffer as greatly from the Global Financial Crisis, which meant that whilst our overall industry did face challenges, it wasn't to the same extent as that in Europe. Different states in Australia also are in different stages of growth (eg Sydney is now growing more strongly, whereas Melbourne is slowing - the reverse of the situation 12-18 months ago. Similarly, demand for construction materials in regional Queensland was very strong 12 months ago as a result of the mining boom and the rebuilding of roads following flood and cyclone events; whereas this demand has now dropped off).

- *need for infrastructure and the link to construction materials.* There appears to be growing acceptance of the need to upgrade the nation's infrastructure, but there is a lack of general awareness about the importance of linking this to the supply of construction materials. As a result, our industry needs to keep arguing with State and Local authorities about the need to preserve quarry resources from urban encroachment.

- *specifications and standards for construction materials.* Our industry is challenged by inappropriate specifications and standards from road authorities and other standards' bodies that inhibit innovation in the supply of construction materials. There is also changes associated with "green building" and the need for our built environment to

- *carbon pricing and costs of manufacturing* - Our industry, particularly the cement industry, is heavily affected by changes in carbon pricing, the exchange rate, and the costs of manufacturing, which is making it increasingly attractive to import, rather than manufacture, cement clinker.

- *innovations in environmental, health and safety* - great development of initiatives to improve the industry's environmental management practices and safety performance.

- *Federal-State issues* in relation to heavy vehicle regulation, mine safety. Difficulties involved in getting national agreement on key reform areas.

