



Extractive Industry Association of the Extractive Industry Association of the Northern Territory Inc. Northern Territory Inc.

ABN 19 323 391 514

Submission to the Territory Economic Reconstruction Commissioners,

Request action be taken to improve efficiencies of regulation and administration of our sector

The Extractive Industry Association of the Northern Territory Inc. (EIA) represents the interests of sand, gravel, and quarry operators across the Northern Territory. Our operators provide the resources that underpin the infrastructure, health, and wealth development of the Northern Territory. There is no construction or development without the base materials that our industry supplies.

Over the past few years, the local Extractive Industry has had to deal with increased business uncertainty as the framework in which we operate has experienced significant change. The EIA requests that as a matter of urgency the regulatory conditions, agency interactions and approvals processes, are simplified and shortened.

Amplified by the global COVID-19 pandemic, we are now entering a phase of development in the Northern Territory where we as an industry are experiencing significant conflict and business uncertainty due to a number of factors that include but are not limited to: expansion of rural residential, industrial and commercial developments, recreational interests as well a number of erroneous environmental and compliance issues in key production zones. These external factors are putting upward pressure on product availability and therefore price as well as adding to the tensions that exist between the various stakeholders in extractive areas. As an industry we are extremely disappointed that there have been these unlegislated and non-regulated changes to the rules and operational guidelines on which our industry has had to make business decisions. While a number of Northern Territory Government Departments and their staff have been very understanding and have tried to assist us to find workable solutions with our ongoing challenges, our industry has had poor levels of certainty and this has severely impacted business confidence.

For the future, areas containing extractive material must be protected for the current and future needs of our community and vision and flexibility shown that would allow industry to operate in sensitive zones backed by a robust regulatory framework and agreed rehabilitation techniques. To give an order of magnitude its been estimated total extractive material demand for the Greater Darwin Region alone will be some 20 Mt in the next 10 years and around 45 Mt in the next 20 years and the total value of the construction material industry over these 20 years will exceed \$2 billion.

In the development of Northern Australia, the base materials that support all infrastructure development will need to be sourced close to the end demand point and access to and from the production areas will need to be as efficient as possible. Transport corridors need to be clearly defined and constructed to handle heavy repetitive loads across all climatic conditions.



Allied with the Civil Contractors Federation

Postal Address: GPO Box 1358 Darwin NT 0801

Telephone: 0417 868 036

The following quotes are from a 2001 [report](#) on the Extractive Minerals within the Outer Darwin area written by Nigel Doyle from the Northern Territory Geological Survey. These quotes are only a small part of the report that Nigel Doyle compiled, but they highlight the key factors that were in play back in 2001 and remain valid today.

"The overriding principle facing land use planning is that extractive minerals occur where nature has placed them and not where people would like them to be. Should planning fail to take advantage of these natural resource endowments it will, wittingly or unwittingly, add considerably to the costs of development, construction, and indeed residential living. The need for Governments to adequately protect long-term access to valuable extractive mineral resources during the community planning processes is paramount."

"An often-heard argument is that the extractive industry should move far away from urban environments to alleviate conflicts. However, transport costs are a significant part of production costs and the actual market is the construction industry associated with growing population centers. Therefore, the closer the resources are to consumer points, the lower the commodity costs, thus benefiting residents and developers. The Darwin community should be able to benefit from the lowest prices possible, especially as prices in Northern Australia are higher in general than the rest of Australia. Although there is some logic in consolidating extractive operations into the one designated area, it must be remembered that the distribution of resources is governed by geological processes and not by planning strategies."

Given that extractive resources are a key driver to all construction activity, Government's need to as a matter of urgency, overtly recognise the importance of extractive resources to the economic development of the Territory. The extractive industry needs to be regarded as a significant industry of strategic importance for the Northern Territory and planning processes, mining compliance and various other government regulatory frameworks need to both acknowledge and facilitate this sector efficiently.

Reiterating the point, the extractive industry needs to be in areas that contain high volumes of the target material as close to the end customer as possible. Extractive areas and associated transport corridors need to be protected for the current and future needs of our community and vision and flexibility shown in any planning or regulatory process to acknowledge the significance of the extractive industry to our region.

The products that we supply to all industries including the construction industry are generally low cost, high volume resources and complex regulatory processes with multiple agency approvals are adding to the cost of development and construction in the Northern Territory. We specifically need a simplified approvals process that would be inclusive of all approving and regulating departments.

Should you have any questions or need for clarification please don't hesitate to contact me.

Yours Sincerely,

Tim

Timothy J Burrow

Chief Executive Officer
Extractive Industry Association of the Northern Territory



Allied with the Civil Contractors Federation

Postal Address: GPO Box 1358 Darwin NT 0801

Telephone: 0417 868 036
