



**The Hon Steven Marshall MP**  
Premier of South Australia

B471077

Dr Matthew Butlin  
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Dear Dr Butlin,

Please find attached a Notice of Inquiry into Research and Development, and a Notice of Inquiry into Health and Medical Research which set out the terms of reference for the inquiries.

Please also find attached terms of reference for the Commission to undertake a formal review into institutional arrangements to manage regulatory burden, focussing on the extractives supply chain.

I thank you and the Commission in advance for your efforts in relation to these matters.

Yours sincerely,

Hon Steven Marshall MP  
**PREMIER OF SOUTH AUSTRALIA**

3 / 2 / 2020

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Attachments:

- Notice of Inquiry – Research and Development
- Notice of Inquiry – Health and Medical Research
- Notice of Review – Institutional Arrangements to Manage Regulatory Burden – Extractives Supply Chain

## **SOUTH AUSTRALIAN PRODUCTIVITY COMMISSION REVIEW INTO INSTITUTIONAL ARRANGEMENTS TO MANAGE REGULATORY BURDEN – EXTRACTIVES SUPPLY CHAIN**

I, Steven Marshall, Premier, hereby request that the South Australian Productivity Commission (the Commission) undertake a review into institutional arrangements to manage regulatory burden focussing on the extractives supply chain.

### **Background**

The construction sector is a significant employer and economic driver the state. The construction sector employed 74,700 people (or 8.8% of total employment in the state) as at August 2019, and in 2018-19 the construction sector accounted for 7.9% of the state's total industry gross value - the third highest contributor to the state's economy. The South Australian government is investing \$11.9 billion in infrastructure spending over the next four years, which will provide valuable community assets, drive economic growth and provide jobs for South Australians.

The extractives industry is a vital component to the provision of construction and heavy construction materials to infrastructure and building projects across South Australia. The sector includes hard rock, sand and gravel extraction operations and secondary processing.

The ability to develop extractive resources close to infrastructure and construction projects across South Australia in a strategic manner significantly contributes to:

- cost and time efficiencies and improved tender mobilisation for major construction and infrastructure projects
- reducing transport costs
- improving the ability of quarry companies to tender with greater confidence, and to mobilise more effectively to respond to demand.

### **Terms of Reference**

The Commission is to evaluate the effectiveness and efficiency of State and local government regulation, policies and practices for the extractives supply chain and identify reform options to improve the efficiency of regulation on the extractives industry – and broader construction industry to enhance output and employment.

The Commission is asked to consider and report on the following matters:

1. The current regulatory framework for quarry and extractive industry development in South Australia, including:
  - a. processes for determining/approving location, and any restrictions that may exist
  - b. timeframes for current processes
  - c. costs for businesses
  - d. closure arrangements and post closure land use.
2. Regulatory, planning and other barriers to strategic development of quarries located near significant infrastructure opportunities.

And make recommendations on:

3. Actions to improve the efficiency and effectiveness of supply of extractives-based inputs into strategic infrastructure and construction projects, and the efficient and effective establishment of related quarries across South Australia.
4. Better regulatory and non-regulatory options for more expedited assessment and approvals for high performing members of the sector thereby creating a more competitive environment.
5. Any other relevant matters.

### **Scope**

The Commission should have regard to relevant local, state and federal legislation and regulation.

### **Process**

The Commission is to consult with stakeholders, including: businesses operating in South Australia; relevant business associations and industry groups (such as Cement, Concrete and Aggregates Australia and the Institute of Quarrying Australia); the Department of Planning, Transport and Infrastructure; the Department of Energy and Mining; the Industry Advocate; Local Government Association; and the State Procurement Board.

The Commission is to issue a draft report outlining recommendations for consultative purposes. A final report is to be provided to me as soon as possible, but not later than six months after receipt of these terms of reference.



Hon Steven Marshall MP

**PREMIER OF SOUTH AUSTRALIA**

3 / 2 / 2020