

Speech by Robert Durward of the British Aggregates Association to the  
Associate Parliamentary Minerals Group

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Ladies and Gentlemen I speak to you today as a quarryman, who has been forced to get out of his quarry and to exchange his crusher for a word processor. There is an old saying "if you want something done properly, you have to do it yourself." Unfortunately the quarry industry did not follow this advice and we allowed others to speak for us, with disastrous results. Outrageous claims have been made about our industry and I am here today to put the record straight and to answer any questions you might have. I would like to speak on three subjects. The Environment, Health and Safety and Sustainability, but first of all I will briefly mention a report published by a company called London Economics, on which the government relies heavily in framing legislation. Although their original brief was "To identify, evaluate and, wherever possible value the environmental costs and benefits off aggregate production.." no notice at all was taken of the benefits of aggregate production or the part they play in society. To my mind, the methods they used were bizarre. People were asked how much they would accept [WTA] to allow a local quarry to continue. There was a great variation in the result, across the country, but the figures were ridiculous, up to £15.00 per tonne. This report was generally ridiculed and London Economics were sent out to try again. This time they changed their methods slightly from WTA to WTP (willing to pay) It was, of course, explained that this was hypothetical money and not to come out of their own pocket. The next set of results again showed great variation and were regarded as being equally ridiculous. However the minister at the time, Richard Cabourn, stated that this research had, by now, cost in excess of £600,000 and so that was to be the end of the matter. Despite repeated protests, by all and sundry, this report is still quoted on a daily basis. There are three further items of interest about this report. 1. The second report is now referred to as "Phase 2" rather than "Second Attempt" 2. The so called "panel of experts" steering committee did not take part in "Phase 2" 3. Phase 1 also attempted to assess the environmental cost of recycling operations but these results were discounted as "non-representative" when it was found that people attached a much greater environmental cost to recycling than to quarrying. [ up to 28 times greater in some cases !]

The Environment A Member of Parliament recently asked the House how many complaints had been received regarding quarries. The eventual reply was that nobody knew. Although there was an indication of the total number of complaints received nobody had bothered to split them into different categories. However we know. As part of our consultation process with the government on MPG11 we surveyed the entire membership. In reality, very few complaints are made to the authorities regarding either sand, gravel or hard rock quarries and of the few complaints that are received the majority relate to reverse alarms, which are compulsory and heavy goods vehicles which are a necessity. HGVs are the only

realistic way to deliver stone. If it goes abroad it goes in a ship, if it is to travel a great distance or we have the luxury of a rail terminal ( and we can afford to lose it for a time ) it may even go by train. But for all other deliveries road haulage is the only answer. The U K quarry industry can be proud of its environmental achievements. A combination of improved technology and better regulation have transformed our industry and it is now second to none. It is obvious that the people, who choose to criticise, do so in ignorance. They probably have not seen any quarries in Germany, Belgium, France, Spain, Portugal or Italy. They almost certainly have not seen the quarries of Eastern Europe, Poland, Romania, or Russia and I shudder to think what their reaction would be to operations in South America, China or Africa. To name but a few. I recently asked a Norwegian operator how he handled the problem of disposing of silt from his washing plant, this is recognised, world wide, as a difficult problem. He replied that the fjord was perhaps not quite so deep as it used to be. Pumping lagoon silt straight into the sea is normal practice in many countries. The control and regulation of all environmental aspects of the aggregates industry are adequately covered by the 1995 Environment Act, This provides for planning permissions for all minerals extraction, to be reviewed and updated on a regular basis, by the mineral planning authorities. The minerals planning guidance notes MPG 6 and MPG 11 are currently being updated to ensure that all mineral operators provide local benefits that clearly outweigh the likely impacts of mineral extraction. However, the best efforts of the industry and planning authorities alike, are going to be destroyed if Aggregate Tax is allowed to become law. Virtually overnight, decades of hard work will be undone by this blunt instrument. Smaller operations will become uneconomic and close down with the result that material will have to be transported further which will increase pollution and congestion on our roads Concentrating more production into fewer sites will greatly magnify the problem of secondary aggregates and waste. Existing waste products, such as colliery shale and steel slag are to be exempt to “encourage their re-use,” however this will simply cause new waste tips of secondary aggregates to be created at quarries Most of these waste tips are very old and overgrown, and are often havens for wildlife and biodiversity. These materials are very low grade and have already given well documented problems. Steel slag, for example, has caused cracking to house foundations, which means that many people are unable to sell their house until they have carried out remedial work, costing as much as £20k! However if the tax is brought in, quality controls or not, make no mistake these inferior products will be used, damage will be caused and someone will have to pay to fix it. With the government itself using almost 40% of minerals it is likely that a high proportion of any failures will come out of the public purse. In addition with the onset of DFBO [Design Finance Build and Operate] schemes a great deal of control has been lost. Contractors are now able to use virtually any materials they so wish and they all wish to maximise their profit. The UK quarry industry is already the most highly regulated in the world and we have invested heavily to comply with modern environmental standards. Any further improvements will be minimal and very much subject to the law of diminishing returns. Very little has been said about the environmental benefit of quarries.

Sand and gravel operations, for example, have often provided tangible public gain with award winning nature reserves, lakes and improvement to agricultural land. The Cotswold Water Park is one such example and Inverkip Marina yet another. Furthermore our entire infrastructure and social fabric depends on and benefits enormously from readily available, high grade, cost effective aggregates.

Health & Safety Health and Safety is an important and emotive subject and one which commands a lot of our attention. The public perception of the dangers of quarrying is largely formed by the publicity given to statistics published by the Health and Safety Executive. Obviously, public focus is on the number of fatalities that occur on an annual basis. The fatality statistics are used in league tables, comparing the performance of various industries. The basis of the league tables is calculated by dividing the number of fatalities by every 100,000 persons employed in the particular industry. By using this method an industry employing a small amount of people need only have one or two fatalities per year to present a very adverse ratio which could well place them as one of the most dangerous or even the most dangerous, industries in the country. The quarrying industry, covering a five year period from 1990 to 1995 averaged 6.6 fatalities per year. For the ten years prior to this the average was 9. For the five year period from 1995 - 2000 the average fatalities per year fell to 5. The reduction from 6.6 to 5 represents an improvement of 25%. However this significant improvement has not received any publicity or recognition and has, of course, been ignored by our critics. A particular problem with evaluating the statistics is that the HSE are unable to give accurate breakdowns of where the accidents actually occur whether they are at hard rock quarrying, sand and gravel or, more likely still, the coal industry. The 1998 / 99 statistics show that 4 people died that year in UK quarries. However closer inspection shows that 2 of these people were trespassers who unfortunately drowned in lagoons. Now it would appear to be perfectly normal to be drowned in a river or at sea, and indeed many were, but plainly it is not acceptable to be drowned in a quarry. As for the other 2 unfortunate souls they were possibly not even killed in a quarry and it is quite likely they died in an open cast coal operation. Once again the statistics are not specific. During the same period that these 4 people died in quarries over 3,000 people died on the roads, several hundred drowned, several hundred died or were injured in domestic accidents and 5,000 died as a result of infections picked up in hospitals.

Only last year, I remember the incoming chief executive of one of the five major quarry companies stating that he was adopting a policy of "zero tolerance" towards accidents, they simply would not be allowed to happen. Of course shortly thereafter he was forced to admit he had failed to meet his target. However if that same gentleman had consulted me, I might have been able to point him in the right direction. The biggest single killer by far, of quarry workers, is heart disease, closely followed by cancer. Now as far as I am concerned a fatal heart attack is every bit as inconvenient as being flattened by a dump-truck. Furthermore, one of the major causes of heart disease is stress, so perhaps if

this chief executive had not made 2,000 people redundant and many more apply for their own jobs he might actually have improved the welfare of his staff. In my opinion the industry ranking tables produced by calculating a ratio of fatalities, divided into every 100,000 persons employed, and disregarding any other factors, gives rise to a grossly exaggerated picture of the quarrying industry. The industry's safety record has improved over the past decade. Hopefully with better technology combined with increased safety awareness, both by employers and employees we can look forward to a continuing improvement. We all know that statistics can be misleading and open to interpretation, according to one's agenda. However, it is difficult to accept that quarries are more dangerous than the construction and farming industries. For example - over the past decade the quarrying industry has averaged some 5 fatalities per year, whereas the agricultural industry appears to average between 45 & 50 including significant numbers of the public, more than half of which are children. The Construction Industry has gone from 70 deaths in 1999 to 85 deaths in 2000. In health & safety, once again, the UK quarry industry is head and shoulders above the rest of the world. This has not just come about as a result of regulation, although regulation is of course both necessary and desirable. It has come about largely because of technical improvements to the systems and the machines we use. However you will not stop accidents in quarries, in the same way as you will not stop accidents on the roads, at sea, in the home or even in hospitals. You will not stop accidents in quarries by banning them or making everyone fill out endless forms. Nevertheless we can reduce accidents by better training and increased supervision. Get the quarry managers out of their offices and away from the paper trail and give them a chance to do what they does best, look after their staff.

Sustainability Sustainability would appear to be the new buzzword, and it has become enmeshed with another buzzword, recycling. Our modern whiz kids seem to believe they have invented these issues. I am sorry to have to correct them but sustainability and recycling have been around since well before their time. The aim of recycling the maximum possible amount of material is not opposed by the quarry industry, indeed it is the quarry industry which actually carries out most of the recycling. However, it appears that the Government's justification of Aggregate Tax lies in their belief in the intrinsic good of recycling. This itself can prove to be false. I am the first to admit that parts of our countryside are disfigured by old waste tips and it would be nice to do something about them. However most of these tips are very old and overgrown, and havens for wildlife. Crippling the quarry industry, in an effort to deal with old tips, not even caused by our industry, is perverse and illogical. Old waste tips need to be assessed and dealt with on a site specific basis to best protect the environment. Furthermore, tip workings are transient in nature, often with poor environmental standards. If you were to give people the choice between living next to a quarry or an old tip being recycled you would receive a very clear answer. As did London Economics. With colliery spoil there is the additional problem of ignition and gas. With almost all available materials already being recycled, as a result in

part, of landfill tax, it is difficult to perceive what possible environmental gains, if any, will accrue. It is also recognised that much more power is required to re-cycle than to produce primary aggregate. We are often told that mineral reserves are finite. Of course they are, however in real terms we haven't even scratched the surface. Quarries occupy a fraction of 1% of the landmass. We have been working stone since the Stone Age and it will remain long after mankind has gone.

But there is another side to Sustainability. I am talking about the ability of quarry companies themselves, to survive. In 1960 there were in excess of 5,000 quarry companies but by 1970 this number had fallen to less than 3,000. Today there are only some 200 private quarry companies left throughout mainland Britain! Five large companies, referred to as "the majors" now claim over 80% of the total output.

The majors have honed their techniques of market domination to a fine art. Buying virtually all the concrete and asphalt plants was referred to as "vertical integration." These facilities will often use in house buying policies to continue the process of freezing out the independents. On large contracts the majors will often package aggregate purchase along with concrete and asphalt which means the smaller operator is unable to compete. They have also extended their empire into the supply chain, buying out cement companies, forcing the independents to use imported cement or pay a premium price. Although they have been trying to mop up the, few remaining, independent operators for years without success, Aggregate Tax may well hand them the tool they need to finish the job. Because the majors control 90% of the downstream markets of ready-mix concrete and asphalt they will have the ability to recover the cost of Aggregate Tax by loading it onto these products. This would allow them to sell their aggregates "Tax Free," if they wish and that would spell the end for what little competition remains. In Conclusion The Quarry Industry is a primary industry which feeds and supports a wide variety of other industries. Instead of promoting our industry, as it deserves, we have allowed its profile to become dim and obscured. We forgot that the people on whom we were depending, to carry our message, had not come through the ranks and, with the best will in the world, were unable to appreciate the complex and often difficult reality. Not being a part of the industry it was perhaps difficult for them to take pride in it. However now that this problem has been identified, I am confident we will be able to repair the damage.

Ladies and Gentlemen thank you for your valuable time. I will now be happy to answer any questions you might have.

## Summary

- The research the Government commissioned into the quarrying industry is deeply flawed and is having an adverse effect on our working relationship with government.

- Very few complaints are in fact made to the authorities regarding sand, gravel or hard rock quarries.
- UK quarry industry is already adequately regulated by 1995 Environment Act.
- UK quarry industry has an excellent environmental record.
- UK quarry industry is “head and shoulders” above every other country on the Environment, Health & Safety, Recycling and Sustainability.
- Provisions exist in minerals planning guidance notes MPG6 and MPG11 to ensure that all mineral operators provide local benefits.
- The aggregate tax will cause:
  - quarry closures leading to increased pollution and congestion.
  - inferior products to be used.
  - long term structural defects.
  - pre-cast concrete production to be driven overseas.
- Almost all available aggregates are currently being recycled – to recycle more would not necessarily accrue further environmental benefits.
- The Aggregates Tax will pave the way for complete domination of the quarrying industry by the five majors.
- The industry profile has been allowed to become dim and been obscured by other issues.