

British Aggregates Association

# Planning against recession hampered by heavy regulation in the mineral industry



For years the minerals industry has been seen as an easy target by government for over-regulation

and swingeing fiscal measures. In the last six to nine months the aggregate industry has seen one of its historically sharpest drops in output with consequent impacts on both jobs and profitability.

Government has thrown an enormous amount of taxpayers' money at the financial sector but has so far given scant regard to the plight of the productive industry that will deliver the nation's infrastructure and bring long-term prosperity to the UK and its citizens.

Some simple and inexpensive measures in the planning, regulatory and fiscal areas could bring enormous benefit to the aggregates industry in this difficult period.

In the planning area, a return to a presumption in favour of development would be particularly welcomed. Some useful first steps were made last year with PPS4 *Planning for Sustainable Economic Development* and need reinforcing and extending.

Of the entire recent regulatory overload, the EU Mine Waste Directive has taken a disproportionate amount of time and effort in consultations with government and regulators both in Brussels and in the UK.

The UK is seen as the model for the rest of Europe in terms of our current legislation. Yet we are in danger of having not only additional bureaucratic load but also of seeing the well-proven controls by the HSE and MPAs superseded by the involvement of a third regulatory body in the form of the EA and the use of the latest government-inspired one-stop-shop EPP control system.

The EA has little or no experience of our industry and the EPP is unproved and certainly unfamiliar and unwelcome to the industry. There would be a real advantage in declaring the UK as already meeting the requirements of the directive, retaining the status quo with the planners and abandoning the proposed changes. Scotland, incidentally, looks like sensibly leaving control with the planners and is certainly not looking to the EPP system.

The unpopular aggregates levy introduced in April 2002 has proved to have achieved few if any environmental benefits. Steadily increasing primary output continued for the first six years with little if any increase in the use of secondary and recycled materials. It would be appropriate to recognise the industry's considerable environmental credentials and achievements - and also its

current difficult operating conditions - to repeal the levy, which was set up as revenue-neutral anyway.

Perhaps these measures, if considered too bold, might be introduced initially as national emergency measures to deal with the credit crunch and recession in the UK.

Certainly they were suggested by BAA with wide support to be incorporated into the "Get Britain Building" campaign launched in parliament on 10th February by the construction industry and a cross-party group of parliamentarians. This is backed-up by an excellent video and the campaign website at <http://www.getbritainbuilding.org.uk>

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