

# Brickworks hails Direct Action

Tim Binsted

Brickworks managing director **Lindsay Partridge** said he has a conga-line of alternate energy projects for Environment Minister **Greg Hunt's** department as he praised the passing of the first piece of the direct action policy.

After a long fight Mr Hunt secured support for the first half of the controversial climate policy, the \$2.55 billion emissions reduction fund, from four Palmer United Party-aligned senators and independents Nick Xenophon and John Madigan on Wednesday night.

The legislation is expected to pass in the Senate on Thursday.

"Direct Action going through is fabulous news. We've got a conga-line of projects waiting to go. They are all based around alternate fuels and will displace gas and reduce carbon emissions," Mr Partridge said.

"I find it amazing when people say direct action won't work. It should be far more effective than other systems. It's very timely because we are facing a gas shortage on the east coast."

The emissions reduction fund will hand out competitive grants to

businesses to cut emissions. Brickworks is the nation's biggest brick maker and a major supplier of other building products such as roof tiles, concrete panels and timber.

In response to soaring energy costs and uncertainty over gas supply the company has already been rolling out a number of alternate and renewable energy projects.

Brickworks - which strongly opposed Labor's carbon tax - has converted two of its factories to run on landfill gas and its Longford plant in Tasmania runs off sawdust. Clay bricks produced at Longford are "carbon neutral". Over the next 12 months Brickworks could get 20 to 25 per cent of its energy from renewable sources.

Mr Partridge said that he could get renewable energy use to 50 per cent and possibly more.

"We've got projects ready to go right now. Once the door is open we will be there to put them in [for consideration]," he said.

"Every industry could be tapping into it. There are enormous opportunities out there to be more efficient and convert waste into fuels."

In Victoria, Brickworks has just secured a 20-year log supply license agreement with VicForests for its saw mills. The export market for wood chips has collapsed and Brickworks has nowhere to take residue and waste from its mill.

Mr Partridge has an \$11 million project ready to go to use mill leftovers to create energy for its brick plant in North Melbourne, which is facing big increases in gas costs.

Brickworks energy and sustainability manager Steve Mouzakis said that based on just raw energy costs (and excluding the project capital cost) alternate fuels are as little as one quarter of the cost of the forward price of gas.

"We have a line of projects that could stack up. Funding under the [Direct Action] program would certainly assist us in getting projects over the line and improving our environmental footprint," he said.

Direct action faces criticism as a confused and ineffective policy compared to a market based mechanism like an emissions trading scheme. But Mr Partridge hit out at the critics and the Labor Party for trying to stymie the policy.