

In today's *Construction News*

Report fuels calls to scrap aggregates tax

QUARRIERS have once again called on the Government to ditch the aggregates levy after a report labelled it ineffective and bad for the environment.

A report by marketing research company BDS for quarrying industry body the British Aggregates Association found that since its introduction in 2002 the levy has had limited impact on the use of primary aggregates.

Its *Analysis of Trends in Aggregates Markets Since 1990* report highlights the decline in use of primary aggregates due to a shift in construction methods.

It claims that, rather than the aggregates levy as the Treasury suggests, it is the landfill tax that has helped boost the use of construction and demolition waste as a substitute for primary aggregates.

The levy has had a limited impact on materials use, the report claims, and has created "perverse environmental effects", including a rise in illicit quarrying, stockpiling of unsaleable by-products and increased road transport movements. The BAA has submitted the report to the Treasury and called on it to scrap the tax in next week's budget.

BAA director Robert Durward said: "It is now abundantly clear that the levy has failed to achieve its stated environmental aims and that it has merely caused the necessary by-products of primary aggregates to be replaced with untaxed materials from less efficient industries and should be withdrawn. As the tax is revenue-neutral, there will be **no** loss to the Exchequer."