



19 January 2015

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600

Via email: jsct@aph.gov.au

To the Committee Secretary

Australia-India Nuclear Cooperation Agreement – Submission to the Joint Standing Committee on Treaties

The Chamber of Minerals and Energy of Western Australia (CME) welcomes the opportunity to make this submission to the Joint Standing Committee on Treaties on the Agreement between the Government of Australia and the Government of India on Cooperation in the Peaceful Uses of Nuclear Energy (Australia-India Nuclear Cooperation Agreement).

CME is the peak resources sector representative body in Western Australia, funded by its member companies, which generate 95 per cent of the value of all mineral and energy production and employ 80 per cent of the resources sector workforce in the state.

The Western Australian resources sector is diverse and complex, covering exploration, processing, downstream value adding and refining of over 50 different types of mineral and energy resources, including uranium.

Western Australia holds around six per cent of Australia's total reserves of uranium. Following a change of state government in 2008, regulation disallowing uranium mining in Western Australia was lifted. There are a number of prospective areas in Western Australia, with four projects currently under regulatory consideration.

Peaceful use of Australian uranium

The Western Australian uranium industry is committed to the safe and peaceful use of uranium and its by-products.

CME supports the export of Australian uranium to countries that agree to become parties to bilateral treaties which provide assurances that exported uranium and its derivatives cannot benefit the development of nuclear weapons or be used in other military programs.

CME considers the proposed Australia-India Nuclear Cooperation Agreement will provide these assurances, and refers the Committee to the submission made by the Minerals Council of Australia, which summarises Australia's uranium export policy and how the Australia-India Nuclear Cooperation Agreement intersects with the policy.

Economic benefits

The opening of the Indian market for Australian uranium provides new commercial opportunities for Australia's uranium exploration, mining and export industries; a number of uranium projects in Western Australia are well poised to take advantage of this new market.

The development of Western Australia's uranium industry has the potential to deliver significant gains for the state in employment, infrastructure and royalties. The industry could add substantial earnings for Australia and become a major mineral export globally.

Uranium deposits in Western Australia are located in remote and regional communities, often far from other hubs of mining activity such as iron ore and gold. The potential employment opportunities associated with uranium projects could deliver much-needed economic benefit to these communities.

Uranium for electricity generation is one of Australia's most important and strategic energy export assets. Western Australia's developing uranium industry can make an important contribution to this export industry; the opening of the Indian market for Australian uranium provides an important, positive investment signal for uranium projects in the state.

Summary

CME commends the Australia-India Nuclear Cooperation Agreement to the Committee for the key reasons outlined above; that:

- The Agreement meets the requirement to ensure that Australia's exported uranium and its derivatives cannot benefit the development of nuclear weapons or be used in other military programs;
- The opening of the Indian market for Australian uranium provides new commercial opportunities for Western Australia's developing uranium exploration, mining and export industries.

CME appreciates the opportunity to provide these comments. Should you wish to discuss this matter further, please contact Nicole Roocke, Deputy Chief Executive on 08 9220 8500 or n.roocke@cmewa.com.

Yours sincerely

Reg Howard-Smith
Chief Executive