Government response
to
House of Representatives Standing Committee on Industry and Resources

Australia's uranium – Greenhouse friendly fuel for an energy hungry world

A case study into the strategic importance of Australia's uranium resources for the Inquiry into developing Australia's non-fossil fuel energy industry.

	Recommendation	Response
	Australia's uranium resources, production and exploration	
1	The Committee recommends that the Australian Government introduce a flow-through share scheme for companies conducting eligible minerals and petroleum exploration activities in Australia.	**Not accepted**. High commodity prices and strong economic growth already provide an impetus for exploration and development. The introduction of an industry specific concession would create a precedent for many other sectors.
2	The Committee recommends that Geoscience Australia be granted additional funding to develop and deploy new techniques, including airborne electromagnetics, to provide precompetitive geoscience of prospective areas, in order to assist in the discovery of new world-class uranium and other mineral deposits located under cover and at depth.	**Accepted**. The Government recognises the importance of this work and considers that the $60 million recently allocated to Geoscience Australia in the 2006-07 Budget for its Onshore Energy Security Geoscience Program will greatly improve knowledge of prospective areas.
	The safety of the nuclear fuel cycle	
3	To provide greater assurance to workers and the public at large, and also to definitively answer claims—which the Committee is confident are entirely mistaken—that current radiation exposures are harming workers, the Committee recommends that the Australian Government, in conjunction with state governments and industry, establish:	
	• a national radiation dose register for occupationally exposed workers; and	**Accepted in principle**. The Government is working with the Uranium Industry Framework (UIF) Implementation Group to explore options to ensure that permanent records of the radiological dose history of uranium industry workers are collected, maintained and are retrievable, through a 'national dose register'.
	• a system of long-term monitoring of the health outcomes for workers occupationally exposed to radiation in uranium mining, associated industries and nuclear facilities.	**Not accepted**. An additional system of long-term monitoring of health outcomes is not required because a dose register could be used to assist in carrying out any overall epidemiological studies of occupationally exposed workers. Such studies could be funded through existing research funding mechanisms.
	The Committee further recommends that the Australian Government:	
	• jointly fund the health monitoring program with industry; and	**Not accepted** (see above).
	• periodically publish the monitoring data, indicating any link between radiation exposures and health outcomes for these workers.	**Not accepted** (see above).
	The global non-proliferation regime	
4	The Committee recommends that the Minister for Foreign Affairs:	
	• seek, through all relevant fora, to impress on other countries the central importance of the non-proliferation aspects of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and the security benefits of the NPT for all countries;	**Accepted**. The Government will continue to advocate in favour of a stronger international non-proliferation regime.

	• redouble efforts to encourage adoption by other countries of an Additional Protocol to their safeguards agreements with the International Atomic Energy Agency (IAEA);	**Accepted**. The Government is already a strong advocate for universalisation of the Additional Protocol (AP) and supports the proposal in the Nuclear Suppliers' Group (NSG) to make the AP a condition of supply. Adoption of an AP is a condition of supply of Australian uranium.
	• advocate strengthening the verification regime so that the IAEA is empowered to more thoroughly investigate possible parallel weaponisation activities;	**Accepted**. Australia has already advanced proposals in this regard.
	• seek the development of criteria for assessing the international acceptability of proposed sensitive projects, particularly in regions of tension, and advocate the development of a more rigorous verification regime for countries that either possess or choose to develop sensitive facilities;	**Accepted**. The Government is already working in the NSG for adoption of agreed criteria for the supply of sensitive nuclear technology, including strict non-proliferation measures.
	• support proposals for nuclear fuel supply guarantees for those countries who waive the right to develop enrichment and reprocessing technologies; and	**Noted**. The Government supports the non-proliferation objectives underpinning proposals to develop more effective controls on the spread of sensitive nuclear technology. However, fuel supply assurances could have implications for Australia's strict nuclear export policies and further exploration of this concept is required.
	• come to a considered view about the adequacy of the resources currently allocated to the IAEA's safeguards program and, if deemed necessary, advocate within the IAEA Board of Governors for an increased allocation of resources to verification activities and recommend increased contributions from member states.	**Accepted**. Australia is very active in the examination of adequacy of safeguards resources through the IAEA Board of Governors' processes and elsewhere. Australia supported the current budget increases.
	Uranium industry regulation and impacts on Aboriginal communities	
5	The Committee recommends that the Australian Government provide adequate funding to ensure the rehabilitation of former uranium mine sites, and for towns and similar facilities, rehabilitation to meet the expectations of the local community.	**Noted**. The Government is evaluating the costs and benefits of remediation options for former Commonwealth-owned mine sites.
6	The Committee recommends that the Australian Government examine expanding the role performed by the Office of Supervising Scientist (OSS) in relation to the monitoring and approvals for uranium mines. As an example, the OSS could be given a formal role in advising the Minister for the Environment and Heritage in relation to all uranium mine assessments and approvals under the *Environment Protection and Biodiversity Conservation Act* and the Minister for Industry, Tourism and Resources in relation to the conditions for granting uranium export licenses.	**Accepted in principle**. The role of the OSS will be considered as part of the suite of options to streamline uranium mining regulations.
	Given the proposed expanded role for the OSS, the Committee further recommends that the Environmental Research Institute of the Supervising Scientist (ERISS) be provided with additional resources, potentially in partnership with a suitable university, so as to provide a national research function. The OSS should continue to be able to refer matters to ERISS for research, but ERISS's autonomy should be preserved in terms of the conduct of research and the release of its findings.	**Noted**. The role of the OSS and the ERISS will be considered in light of proposals to streamline uranium mining regulations.

7	The Committee recommends that the Australian Government work with industry, Indigenous groups and state/territory governments to develop strategies to improve Indigenous training and employment outcomes at uranium mines, with consideration given to studying and, if possible, emulating the strategies employed by Cameco Corporation and governments in Canada. The Committee further recommends that, where appropriate, mining companies consider employing Aboriginal liaison officers with direct access to management. To ensure adequate local community consultation, the Committee further recommends that a process be established whereby it and its successor committees be formally given access to new uranium mine sites, with customary powers of inquiry and report to the Parliament. This process should formally provide for affected local governments to nominate a person to liaise with the Committee about any community concerns.	**Accepted**. The Government is working with Indigenous groups and industry through the UIF implementation group to develop a strategy to improve Indigenous participation in the uranium industry and related enterprises. **Not accepted**. Consultative committees have been established for each of the current uranium mines and are proposed for new mines.
	Impediments to the uranium industry's development	
8	The Committee recommends that the Australian Government Minister for Industry, Tourism and Resources, through the Council of Australian Governments and other means, encourage state governments to reconsider their opposition to uranium mining and abolish legislative restrictions on uranium (and thorium) mining and exploration, where these exist.	**Accepted**. The Government has urged state and territory governments to review policies and legislation on new uranium mines through the Ministerial Council on Mineral and Petroleum Resources.
9	The Committee recommends that the Australian Government, through the Council of Australian Governments, seek to remedy the impediments to the development of the uranium industry identified in this report and, specifically: • develop uniform and minimum effective regulation for uranium exploration and mining across all states and territories; • ensure that processes associated with issues including land access, Native Title, assessment and approvals, and reporting are streamlined; • where possible, minimise duplication of regulation across levels of government; • address labour shortages, training and skills deficits relevant to the industry; and • address transportation impediments, and particularly issues associated with denial of shipping services	**Accepted in principle**. Training and skills deficiencies relating to uranium mining are being addressed through the UIF implementation process. The Ministerial Council on Mineral and Petroleum Resources is seeking to address broad mining issues including land access, assessment approvals and reporting. Labour shortages are broadly affecting the resources industry and therefore are best addressed through industry led initiatives to promote career opportunities, such as the national strategy recently announced by the Minerals Council of Australia.
10	The Committee recommends that the Australian Government, through the Council of Australian Governments, examine incident reporting requirements imposed on uranium mining companies with a view to aiding public understanding of the real impacts of incidents that may occur at uranium mines. Specifically, the Committee recommends that companies continue to meet existing reporting thresholds, but that regulators be required to issue a brief assessment of each incident informing the public of the gravity of the incident and its likely impacts on the environment and human health. To this end, a simple and accurate incident impact classification system could be devised.	**Accepted**. This matter is being progressed through the implementation of the UIF, which includes consultation with state and territory governments through the Ministerial Council on Mineral and Petroleum Resources.

11	The Committee recommends that the Australian Government: • identify and fund an authoritative scientific organisation to prepare and publish objective information relating to uranium mining, the nuclear fuel cycle and nuclear power, including radiation hazards and radioactive waste management;	**Noted**. The Government recognises the need for such a body and will explore this matter further.
	• support the scientific organisation identified above to develop a communication strategy to provide information to the public, media and political leaders to address concerns these groups may have in relation to uranium mining, uranium exports and nuclear power;	**Noted**. The Australian Uranium Association is working to raise public awareness on uranium mining. The Government notes the extensive role played by Australian Nuclear Science and Technology Organisation (ANSTO) in this area but will consider whether other organisations may also have a role to play.
	• seek to rectify any inaccuracies or lack of balance in school and university curricula pertaining to uranium mining and nuclear power;	**Noted** (see above).
	• encourage industry bodies, including state chambers of mines, to conduct or augment programs to educate teachers, media and political leaders about the uranium industry;	**Noted**. This matter is being progressed through the implementation of the UIF. The Australian Uranium Association is developing a communication strategy.
	• encourage companies to conduct programs of visits to uranium mines for teachers, school groups, media representatives and political leaders; and	**Noted**. This matter is being progressed through the implementation of the UIF. The uranium mining industry runs public visit programs at its mines.
	• encourage industry to be forthright in engaging in public debate, where this may assist in providing a more balanced perspective on the industry and its impacts.	**Noted**. This matter is being progressed through the implementation of the UIF and through the Australian Uranium Association.
	Value adding — fuel cycle services industries, nuclear power, skills and training in Australia	
12	The Committee recommends that the Australian and state governments, through the Council of Australian Governments: • examine how Australia might seek greater beneficiation of its uranium resources prior to export and encourage such a development, while meeting non-proliferation objectives proposed in initiatives such as the US Global Nuclear Energy Partnership (GNEP) and the International Atomic Energy Agency's (IAEA) proposed multilateral approaches to the nuclear fuel cycle	**Noted**. The Government will establish a process to examine options for a regulatory framework for an expanded nuclear industry.
	• examine the possible establishment of fuel cycle facilities (for example, uranium conversion and enrichment plants) which, in accordance with the IAEA's recommendation for such facilities to be operated on a multilateral basis, could be operated on a joint ownership, co-management or drawing rights basis with countries in the region intending to use nuclear energy in the future;	**Noted**. The Government will take account of regional security issues in considering any proposals for downstream processing of uranium.

	• examine whether, in light of the advances in spent fuel management proposed in the GNEP initiative, there is in fact a potential role for Australia in the back-end of the fuel cycle;	**Not accepted**. Australia's policy is not to accept nuclear waste from other countries. International practice is for countries to deal with waste associated with the use of uranium for electricity generation. It is expected that any Australian involvement would be limited to contributing expertise in waste form research.
	• in the event these proposals are adopted, develop a licensing and regulatory framework, that meets world's best practice, to provide for the possible establishment of fuel cycle services industries and facilities in Australia; and	**Accepted**. The Minister for Industry, Tourism and Resources, in consultation with the Ministers for Foreign Affairs, Health and Ageing, the Attorney-General, Education, Science and Technology, Employment and Workplace Relations, and the Environment and Water Resources, develop a workplan on options for an appropriate regulatory framework for an expanded nuclear industry.
	• having established an appropriate regulatory regime, remove legislative impediments to the establishment of nuclear fuel cycle facilities in Australia and, specifically, repeal or amend Section 140A of the *Environment Protection and Biodiversity Conservation Act 1999*, and Section 10 of the *Australian Radiation Protection and Nuclear Safety Act 1998*.	**Noted**. This recommendation will be considered as part of the workplan mentioned above.
	• The Committee further recommends that such examination take account of full life cycle costs and benefits of the proposed facilities.	**Noted**. This recommendation will be considered as part of the workplan mentioned above.
13	The Committee recommends that the Australian Government take steps to rebuild Australia's nuclear skills base and expertise by:	
	• broadening the Australian Nuclear Science and Technology Organisation's (ANSTO) research and development mandate, so that it is able to undertake physical laboratory studies of aspects of the nuclear fuel cycle and nuclear energy that may be of future benefit to Australia and Australian industry;	**Noted**. The Government considers that ANSTO has a mandate for research on nuclear energy and the nuclear fuel cycle. The Minister for Education, Science and Training, in consultation with the Ministers for Foreign Affairs, Health and Ageing, and Industry, Tourism and Resources, will develop a workplan to identify the steps that could be taken to improve Australia's nuclear science research and development capability and technical expertise.
	• developing a program whereby Australian nuclear scientists and engineers are assisted to study at overseas universities and/or to be placed with companies where relevant expertise resides, in order to expand Australia's knowledge base;	**Noted**. The recently announced the ANSTO graduate programme includes provision for such secondments and overseas study.
	• increasing engagement by Australian nuclear scientists and engineers at a technical level with the International Atomic Energy Agency, for example through a program of secondments and placements;	**Noted**. ANSTO, the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) and the Australian Safeguards and Non-proliferation Office (ASNO) have successfully used secondments to the IAEA from time to time and these could be expanded.

	• examining the possibility of re-establishing at least one Australian University School of Nuclear Engineering and an Australian Research Council Research Network or Centre(s) of Excellence in the relevant fields;	**Noted**. Nuclear science related courses already exist or are planned in several Australian universities. Australian Research Council (ARC) specific initiatives may also be progressed via the ARC's competitive funding processes.
	• encouraging industry to increase its collaborations with and support of ANSTO's proposed expanded research activities and any school of nuclear engineering that may be established; and	**Noted**. The uranium and power generation industries already collaborates with ANSTO in a number of areas and further cooperation which will also include the university sector can be promoted.
	• encouraging greater university research into aspects of nuclear energy and the nuclear fuel cycle through the allocation of research grants awarded by the Australian Institute of Nuclear Science and Engineering.	**Not accepted**. The Government will consider the merits of further support for university research in these areas as part of the workplan mentioned above.
14	The Committee recommends that the Australian Government: • negotiate an appropriate subscription for Australia to the International Thermonuclear Experimental Reactor (ITER) project on a whole-of-Government basis;	**Not accepted**. The partnership arrangements for the ITER project have now been settled and an Australian subscription is not a viable option. Other avenues of interaction with ITER are being explored.
	• support the establishment of a national research centre to consolidate and coordinate Australia's efforts in fusion related research; and	**Not accepted**. The Government does not consider that there is a compelling case to consider this proposition outside of existing competitive funding processes.
	• examine the merits of establishing fusion science as a national research priority.	**Not accepted**. The National Research Priorities (NRPs) identify broadly based, thematic areas of particular social, economic and environmental importance to Australia. The Government does not consider that there are convincing arguments to alter the existing NRP framework. Fusion science falls under the existing NRP "An Environmentally Sustainable Australia".