ATOMIC ENERGY AMENDMENT BILL 1978

Date Introduced: 10 April 1978
House: House of Representatives

Purpose

To give the Commonwealth greater control over nuclear related activities.

Background

Legislation is necessary to facilitate joint participation in the mining of uranium by the Australian Atomic Energy Commission and Ranger Uranium Mines to take place in accordance with an agreement concluded on 28 October 1975. The A.A.E.C. Report for 1974-75 gives the substance of the Agreement as follows:

"The Agreement on the development of the Ranger resources announced, inter alia, that the mining of designated portions of the deposits, the delivery of the ore to a nearby mill, and the construction and operation of the mill would be undertaken by Ranger Uranium Mines Pty. Ltd. One half of the directors on the Board of Ranger Uranium Mines Pty. Ltd. were to be nominated by Peko Mines Ltd. and the Electrolytic Zinc Company of Australasia Ltd. (the Ranger participant companies) and the other half by the Commission. The mine, mill and the necessary infrastructure would be financed by the Ranger participants and the Commission in the respective proportions of 27½% and 72½%. The operation would have an initial capacity of not less than 2,500 tonnes uranium a year (as yellowcake) and early duplication of the operation was envisaged.

The Agreement further stated that the Ranger participant companies would receive the net proceeds from the sale of 50% of the yellowcake produced at the mill from ore mined in the Ranger deposits".

Also the Atomic Energy Act 1953 gave the Minister power to exercise control over nuclear materials, but only in connexion with defence, or within a Territory. The Bill extends this power to cover many other purposes within Commonwealth power under the Constitution.
The need to do this may be seen in the following extract from the First Ranger Uranium Environmental Inquiry Report, p.181:

"Reference has already been made to the powers given the Commonwealth under the Atomic Energy Act 1953. It may be doubted whether a power relative to mining in the states which is limited legislatively to reliance on 'defence purposes' is adequate. On the contrary, it is likely to be productive of uncertainty and disputation. There would seem to be little doubt that the Commonwealth has constitutional power to assume full control for all proper purposes, and we suggest that consideration should be given to its doing so".

Apart from providing a legal basis for the Ranger Project to proceed as agreed, the Bill clarifies some important aspects of A.A.E.C. officers conditions of service.

Main Provisions

Clause 5 amends section 17(4) of the Act so that the functions of the A.A.E.C., as spelt out in section 17(1), embrace the supply of uranium from the Ranger Project. The functions shown in section 17(1) cover all aspects of uranium development and atomic energy production, including research.

Clause 9 repeals section 34. This section of the Act limited the Minister's control over nuclear materials for purposes of defence or in relation to Territories. A new section 34 provides for control over materials to be exercised for the purposes of:

(a) Defence
(b) International trade
(c) Interstate trade or commerce
(d) External affairs and international agreements, such as the Safeguards Agreement in connexion with the Nuclear Non-Proliferation Treaty.
(e) The Ranger Project Area
(f) Territories
(g) Other Commonwealth purposes

Clause 10 repeals section 38 which dealt with regulations for the control of nuclear materials and minerals. A new section 38 provides for much stricter control covering:

(a) working of minerals
(b) acquisition, production, transportation, treatment, processing, possession, storage, use or disposal of
nuclear materials. The Minister may grant or refuse a licence for nuclear and related activities.

The new section states that its provisions are not to be construed as excluding State laws which are capable of operating concurrently with the section and regulations.

Defence, Science and Technology Group

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LEGISLATIVE RESEARCH SERVICE