



The Hon. John Barilaro MP
Deputy Premier
Minister for Regional New South Wales
Minister for Industry and Trade

4 September 2020

Mr David Blunt
Clerk of the Parliaments and Clerk of the Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Blunt

I enclose the Government's Response to the Legislative Council Standing Committee on State Development Uranium Mining and Nuclear Facilities (Prohibitions) Repeal Bill 2019 – Report 46, March 2020.

If you require any further information regarding this matter, please contact Stuart Bocking in the Deputy Premier's office at stuart.bocking@deputypremier.nsw.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'John Barilaro'.

The Hon. John Barilaro MP
Deputy Premier
Minister for Regional New South Wales
Minister for Industry and Trade

Received on behalf of
the Clerk of the Parliaments
at 4.55 pm on
Friday 4 September
2020

Recommendation 1

That the NSW Government encourages and supports uranium exploration in order to further understand all economic uranium resources in NSW, including extent and location.

Supported.

This commitment is consistent with the NSW Minerals Strategy's (2019) goal to significantly grow investment in mineral exploration and mining in NSW to position the state as a major global supplier of metals for the economies of today and the future.

Policies and procedures are already in place to allow the government to receive, assess and determine applications for uranium exploration titles. The government will test industry appetite to apply for uranium exploration titles and, if required, consider running a formal expression of interest process like the one conducted in 2012 to identify potential applicants.

Recommendation 2

That the NSW Government works with the relevant Commonwealth agencies and industry bodies to assess whether existing frameworks for worker safety, radiation regulation and environmental regulation are appropriate and adequate for the commencement of uranium mining in New South Wales, identifying any gaps that would need to be addressed.

Supported.

The NSW Government would ensure the state's frameworks for worker safety, radiation regulation and environmental management are appropriate and adequate for regulating uranium mining before it allowed any projects to commence, should it lift the prohibition in the future. This would include adopting uranium specific health and safety controls from national and international standards already in use and consulting other Australian jurisdictions that currently mine uranium to learn from their regulatory systems.

Recommendation 3

That:

- the Department of Planning, Industry and Environment liaise with the Australian Nuclear Science and Technology Organisation to monitor the regulatory approval and commercialisation of Small Modular Reactors in the United States and elsewhere (as appropriate) and report findings to the NSW Government as they become available; and
- the NSW Chief Scientist and Engineer report to the NSW Government on broader developments in nuclear energy on a regular basis.

Supported in principle.

The NSW Government is committed to delivering a reliable and affordable energy supply to support industries and communities in NSW, whilst working towards emissions reductions. Development of a nuclear energy industry in Australia would require strong coordination nationally and with state and territory governments to ensure there is a world class regulatory regime in place to support the growth of safe and sustainable nuclear power.

The NSW Government agrees there is merit in monitoring the regulatory approval and commercialisation of Small Modular Reactors in the United States and elsewhere. It considers that this work would be best led and coordinated nationally so all states and

territories can benefit. The Commonwealth Government's Technology Investment Roadmap Discussion Paper notes the Commonwealth will continue to monitor emerging technologies, including nuclear, as it develops its annual Low Emissions Technology Statements.

The NSW Government supports further interjurisdictional dialogue on this topic.

Recommendation 4

That the NSW Government commissions independent and detailed analysis and modelling to properly evaluate the viability of nuclear energy from an economic perspective, taking into account:

- all relevant inputs and variables as well as the specificities of the New South Wales electricity system;
- the costs for any new connection, transmission or other system/network infrastructure; and
- the projected impact on New South Wales climate emissions and any opportunities or costs that entails or avoids.

Supported in principle.

Development of a nuclear energy industry in Australia would require strong coordination nationally and with state and territory governments to ensure there is a world class regulatory regime in place to support the growth of safe and sustainable nuclear power.

The NSW Government agrees that further detailed analysis and modelling would be necessary to properly evaluate the viability of nuclear energy from an economic perspective. This analysis could build on the existing independent GenCost data that is based on industry consultation and includes full life-cycle costs and the level of any direct and indirect Government subsidy required. The government considers that this work would be best led and coordinated nationally with input from states and territories. The Commonwealth Government has undertaken an economy-wide survey of new and emerging technologies, including nuclear, looking at their abatement potentials, technological and commercial readiness levels and cost-effectiveness. The NSW Government supports further interjurisdictional dialogue on this topic.

Recommendation 5

That the NSW Government commissions:

- a comprehensive workforce gap analysis to identify the workforce capabilities, skills and expertise that would be needed to support a future nuclear power industry in New South Wales; and
- a workforce capacity inventory which identifies the existing clusters of research and workforce capabilities which already exist in New South Wales which are part of the international nuclear industry.

Supported in principle.

Development of a nuclear industry in Australia will require strong coordination nationally and with state and territory governments to ensure there is a world class regulatory regime in place to support the growth of safe and sustainable nuclear power.

The NSW Government agrees that if the state were to establish a nuclear power industry in the future, it would be appropriate to conduct further analysis of workforce capabilities, skills

and expertise, both within NSW and nationally. It considers that this work would be best led and coordinated nationally and supports further interjurisdictional dialogue on this topic.

Recommendation 6

That the NSW Government supports the repeal of the *Uranium Mining and Nuclear Facilities (Prohibitions) Act 1986* in its entirety.

Noted.

The NSW Government will continue to monitor the Commonwealth Government's position on nuclear facilities and supports further interjurisdictional dialogue on the topic. The NSW Government will provide its position on uranium mining in the near future.

Recommendation 7

That the NSW Government pursues the repeal of the Commonwealth prohibitions on nuclear facilities by making representations to the Commonwealth Minister with portfolio responsibility for the relevant legislation.

Supported in principle.

The NSW Government supports taking a coordinated, national approach to discussions about the potential future role of nuclear energy in Australia. It supports further interjurisdictional dialogue on the topic and will continue to monitor the Commonwealth Government's position on nuclear facilities, including the outcomes of its Technology Investment Roadmap Discussion Paper and annual Low Emissions Technology Statements.

Recommendation 8

That the Legislative Council proceed with debate on the bill, having regard to the findings and recommendations contained in this report.

Not supported.

If the NSW Government decides to amend the *Uranium Mining and Nuclear Facilities (Prohibitions) Act 1986*, it will introduce its own legislation to do so. See also response to Recommendation 6.

Recommendation 9

That the Department of Planning, Industry and Environment liaise with the Australian Nuclear Science and Technology Organisation to use existing public outreach and education programs to implement broader community education initiatives about nuclear energy, highlighting:

- safety and technological advances in this industry since the 1980s;
- how nations such as Canada and France have used nuclear power as part of their decarbonisation strategies;
- the success of the Lucas Heights nuclear reactor in the southern suburbs of Sydney;
- any other relevant issues.

Supported in principle.

Development of a nuclear industry in Australia would require strong coordination nationally and with state and territory governments to ensure there is a world class regulatory regime in place to support the growth of a safe and sustainable nuclear power.

NSW Government's response to the Legislative Council Standing Committee on State Development's inquiry into the Uranium Mining and Nuclear Facilities (Prohibitions) Repeal Bill 2019



Report 46 March 2020

The NSW Government agrees there would be merit in using existing public outreach and education programs to support community education initiatives about nuclear energy. It will approach the Commonwealth Government about whether the Australian Nuclear Science and Technology Organisation or another national body have the scope and capacity to do so.

The NSW Government will ensure the community has access to information about uranium exploration, including exploration methods, environmental management and rehabilitation requirements, and health and safety considerations.