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CABINET DECISION

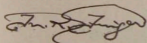
NO. 411

Submission No.: 356

Title: REHABILITATION AT RUM JUNGLE

Cabinet endorsed the Chief Minister's reply to the Minister for the Northern Territory which -

- (a) urges the Commonwealth to act upon proposals for rehabilitation work at Rum Jungle, and
- (b) offers to undertake the work by the Northern Territory Government on an agency basis, with the Commonwealth meeting all costs.



(M.R. FINGER)
Secretary to Cabinet.

6.9.78

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THE NORTHERN TERRITORY OF AUSTRALIA

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Copy No. 1

356

FOR CABINET

SUBMISSION No. _____

Title:	Rehabilitation at Rum Jungle.
Cabinet Member	Mr. P.A.E. Everingham, Chief Minister
Purpose:	To consider response by the Northern Territory Government to proposals by the Commonwealth for works in the Rum Jungle area.
Relation to existing policy:	Support of the proposals would be in accordance with general policy of concern for the environment.
Timing/legislative priority:	A reply is required to a letter from the Minister for the Northern Territory. No legislation required.
Announcement of decision, tabling, etc.:	Not applicable at this stage.
Action required before announcement:	Decisions by the Commonwealth.
Staffing implications, numbers and costs, etc.:	Not yet developed.
Total cost:	Not available at this stage but should be borne by the Commonwealth.

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Comment by
Director of
Finance:

REHABILITATION AT RUM JUNGLE

Uranium with all its associated activities and responsibilities is a Commonwealth function. The Commonwealth has mined or allowed the mining of uranium and the scars are bleeding toxic substances. Far from offering the support sought by Mr. Adermann we should be demanding that our land is made safe. The Aboriginal people are demanding, and will get, full rehabilitation of mines and protection from all pollution on their land. We must do the same.

Our response to the Minister should be in terms of a demand to rehabilitate, either through us or by outside contact, entirely at Commonwealth expense.

Approved/Not Approved

Signed:

Date:


A.B. ASHLEY
UNDER TREASURER

31 August 1978

Comment by
Public Service
Commissioner:

Approved/Not Approved

Signed:

Date:

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Rehabilitation at Rum Jungle

Comment by
Director of
Finance:

Approved/Not Approved

Signed:

Date:

Comment by
Public Service
Commissioner:

No objection to urging the Commonwealth to act upon proposals for rehabilitation work at Rum Jungle.

Suggest caution on offering to undertake the work on an agency basis for following reasons:

- . If work is slow or unsatisfactory N.T. Government could be seen to be at fault.
- . Industrial demands for additional 'danger' money or special conditions could increase costs and cause delays.
- . Costs could escalate due to delay in recruiting suitable people, industrial unrest, general delays, unseen problems and Commonwealth may not provide adequate levels of funds.

Alternative of pressuring Commonwealth to do the work would allow N.T. Government to check progress against programme, objectively assess results and may be politically more desirable.

Approved/Not Approved



G. GASKILL
for Public Service Commissioner.

Signed:

Date:

31 August 1978

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THE ISSUE

1. The Minister for the Northern Territory has written (see Attachment 'A') seeking my views on a report concerning possible rehabilitation in the mining area at Rum Jungle. Mr. Adermann asks for an indication of the extent to which we might support proposals for such rehabilitation and alleviation of pollution.

BACKGROUND

2. Mining and milling for uranium was undertaken at Rum Jungle between 1954 and 1971, by a company acting as agent for the Australian Atomic Energy Commission (AAEC). Copper mining was carried out on adjacent leases from 1964 by a former subsidiary of Conzinc Riotinto of Australia Limited (CRA).

3. During the mining and milling operations, pollution occurred due to the release of acids, heavy metals, tailings and other wastes. Pollution is still occurring due to seepage from open-cuts, water leaching through waste dumps and erosion of tailings, and such pollution could continue for another 100 years or more. Certain safety and health hazards also exist.

4. In 1977/78 the Commonwealth Government provided \$300,000 for clean-up work at the treatment plant site. This proposal was only intended to improve the appearance of that area and remove some of the safety hazards, and has now been satisfactorily completed.

5. In late 1977 a Working Group formed from the Departments of the Northern Territory and Construction, the A.A.E.C. and C.R.A. (which still holds mining leases in the area) undertook a comprehensive study for the long-term rehabilitation of the Rum Jungle area, and it is the report of this Group which is now being considered. The Commonwealth's

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statement of 27 August 1977 on Uranium Development included advice that further decisions on rehabilitation at Rum Jungle would be taken on completion of the Working Group's study.

CONSIDERATION OF THE ISSUE

6. The report presents a number of options for alleviation of the problems, ranging from no action at all to returning the site to substantially the same condition as existed prior to mining.

7. The point is made that no persons are immediately affected, and there is no immediate physical need for the area to be improved. If no rehabilitation work is undertaken the area would remain an eyesore with a certain amount of health and safety hazards, sections of the Finnis River would continue to be unable to support aquatic life, and this river could not be considered as a possible source to meet Darwin's need for additional water supply in say 40 years time.

8. Thus the report could not quantify in monetary terms any benefits from rehabilitation proposals. The report did assess the relative cost-effectiveness of different proposals in terms of objectives of reducing or eliminating health and safety risks, reducing pollution, and improving the aesthetic appearance of the site.

9. Although the chemical pollution from Rum Jungle is mainly caused by heavy metals, it is associated in the mind of the public with uranium mining. The problem remains with the Commonwealth as a basis for criticism of its apparent lack of concern for the environment in its developmental policies. In particular the Commonwealth's policy on uranium mining will remain vulnerable to the accusation that it is severely detrimental to the environment.

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10. On the other hand, if the Commonwealth decides to rehabilitate the area, it would not only demonstrate its concern for the environment generally but, as the report states, would provide a practical demonstration of the measures that could be taken to achieve environmental protection at any mining site. This would be of background value for the environmental management and rehabilitation of new uranium mines in the Alligator Rivers Region.

OPTIONS

11. The Commonwealth has the option of doing nothing further, or approving some program of rehabilitation.

12. I do not believe our Government can be associated in any way with the first option, and must not only support but strongly exhort some positive action.

PUBLIC IMPACT

13. I believe that all sections of the Australian community would welcome any action by government to alleviate pollution at Rum Jungle. However, it would be inappropriate for the Northern Territory Government to make any announcements until the Commonwealth has taken its decision.

14. Publicity value would be enhanced if the Northern Territory Government is seen to be actively involved by actually carrying out the work, even if it is only as the Commonwealth's agent.

15. The Legislative Assembly Sessional Committee on the Environment has inspected Rum Jungle and is awaiting the report by the Working Group on its study.

FINANCIAL CONSIDERATIONS

16. The Working Group's report estimates that the minimum satisfactory strategy to achieve its objectives at Rum

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Jungle would cost \$8.18 million. To effectively return the site to substantially the same condition as existed prior to mining is estimated to cost \$12.6 million, but this was not considered necessary. The Working Group recommended an intermediate strategy, at an estimated cost of \$10.23 million, which was considered to be the best cost-effective measure in terms of reducing pollution.

17. The Government must insist that all costs of any action taken be borne entirely by the Commonwealth.

EMPLOYMENT CONSIDERATIONS

18. Expenditure of the order contemplated would have a significant effect on local employment, particularly at a time when some 9 to 10% of the Northern Territory workforce is unemployed.

19. I suggest that the Government should offer to carry out the works on behalf of the Commonwealth, and this should ensure maximum opportunities for local employment. This will require a small increase in staff for supervision and scientific monitoring, but the numbers have not yet been assessed.

CO-ORDINATION

20. The Departments of Mines & Energy and Transport & Works strongly support the recommendations for further rehabilitation work at Rum Jungle, and the comments of the latter are included here as Attachment 'B'. Furthermore, several former units of the Department of the Northern Territory were involved with the Working Group and no doubt would support its proposals.

21. The Controller of Special Development Projects has continued liaison with the Commonwealth.

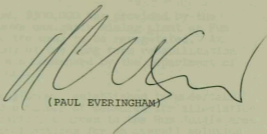
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RECOMMENDATION

22. I recommend that Cabinet endorse my reply to the Minister for the Northern Territory (see Attachment 'C') which

- (a) urges the Commonwealth to act upon proposals for rehabilitation work at Rum Jungle, and
- (b) offers to undertake the work by the Northern Territory Government on an agency basis, with the Commonwealth meeting all costs.



(PAUL EVERINGHAM)

GOVERNMENT OF AUSTRALIA

MINISTER FOR THE NORTHERN TERRITORY
Parliament House,
CANBERRA, A.C.T. 2600.

21 AUG 1976

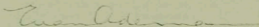
Dear Mr Everingham,

In 1977/78, \$300,000 was provided by the Commonwealth to remove unsightly mining plant at Rum Jungle and to allow the area to be revegetated. At the same time a study of the long term rehabilitation of the mining area was commenced by the Department of the Northern Territory.

The Working Group, established to undertake the study, examined a number of measures for alleviation of pollution from various sources in the Rum Jungle area and considered several options for an overall solution to the problems. I have enclosed a copy of the Working Group's report for your information.

In view of your Government's interest in rehabilitation of the area, it would be appreciated if you would provide comment on the report and indicate the extent to which the N.T. Government would support the Working Group's proposals for further rehabilitation.

Yours sincerely,



Evan Adermann

The Hon. P.A.E. Everingham, M.L.A.,
Chief Minister and Attorney-General,
P.O. Box 3146,
DARWIN, N.T. 5794.

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NORTHERN TERRITORY OF AUSTRALIA

DEPARTMENT OF TRANSPORT AND WORKS

Reference

P.O. BOX 2520
DARWIN NT 5754

29 August 1978

Rum
29/8

Mr. R. J. McArthur,
Controller, ~~Special~~ Development Projects,
Department of the Chief Minister,
P.O. Box 4396,
DARWIN. N.T. 5794

REHABILITATION AT RUM JUNGLE

The Department of Transport and Works strongly supports the recommendation to carry out further rehabilitation work at Rum Jungle.

In addition to the arguments raised in the draft cabinet submission, it should be remembered that the area is a popular recreational spot for both locals and tourists who visit Batchelor. The signs prohibiting swimming and fishing, while necessary, serve as a constant reminder to the public of the "dangers" of uranium mining. We are sure that many members of the public, not knowing of the heavy metal contamination, consider themselves to be at considerable risk from ionising radiation once they venture past the bridge, or near the water.

The river used to be used for both fishing and swimming and undoubtedly would be again once the river was "cleared". The area has a decided advantage for recreational purposes because it is within easy reach of Darwin residents.

There is no doubt that the Commonwealth should provide the funds for rehabilitation, and the reasons are adequately covered in the draft Cabinet Submission.

We also agree that there is decided merit in the Northern Territory Government carrying out the work as an agent of the Commonwealth.

The report on restoration gave several recommendations on how pollution could be reduced. Assuming that approximately \$10M is required, we consider that the work could best be done by following a staged programme of expenditure over a period of say five years or longer.

Expenditure should be on a sliding scale with priority being given to those parts of the work which would produce the fastest return in reducing heavy metals contamination.

The Hon. Evan Adermann,
Minister for the Northern Territory,
Parliament House,
CANBERRA A.C.T. 2600

Dear Mr. Adermann,

I refer to your letter of 1 August concerning proposals for rehabilitation of the mining area at Rum Jungle.

The Northern Territory Government has considered the report of the Working Group which studied measures for alleviation of pollution at Rum Jungle, and fully supports the proposals of the Group for long term rehabilitation of the area. In fact my Government urges you to initiate positive action to remedy what is seen by everyone as a disgraceful episode in environmental mis-management by the Commonwealth. The group of experts has stated that satisfactory rehabilitation of the Rum Jungle site can be achieved, and it is now up to the Commonwealth Government to silence its many critics on this issue by accepting its responsibilities.

There could be practical advantages to be derived from taking such action. It would demonstrate not only that a concerned environmental policy can make rehabilitation after mining quite feasible, but could provide practical experimentation in such matters as returning tailings to the pit and revegetation on waste dumps which has caused concern in the Alligator Rivers Region.

If the Commonwealth does decide to adopt the proposals, I see advantages to both sides in having the Northern Territory Government undertake the actual works, as agent for the Commonwealth. Much of the technical expertise available to the Working Group, and the construction capacity of the former Department of Construction, has now transferred to departments of this Government and only a minimal increase in supervisory and monitoring staff would be necessary. It would be necessary of course for all costs to be borne by the Commonwealth.

I assure you of our full support if a positive decision is taken on this matter and look forward to your further advice.

Yours sincerely,

(PAUL EVERINGHAM)