

UNION ATTITUDE TO MKU CONTRACT

Statement by the Acting Prime Minister, Minister for National Resources and Minister for Overseas Trade, Rt. Hon. J.D. Anthony

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I have been advised that a meeting in Sydney today of representatives of unions and ACTU State Branches associated with the mining or transport of uranium decided to ask the Government, pending the report of the Ranger Inquiry, to allow a contract by Mary Kathleen Uranium to export in July 45.4 tonnes of uranium oxide to the United States to be filled by borrowing from an overseas uranium stockpile.

I have also been advised that the meeting suggested that the Government, if necessary, should underwrite the ability of Mary Kathleen Uranium to borrow from an overseas stockpile.

I understand the meeting also said that if the Government issued an export licence to enable Mary Kathleen Uranium to fill the contract from its own production then all unions involved with Mary Kathleen Uranium would immediately withdraw their services.

The Government had put it to the unions that a contract commitment for a July 1976 shipment of 45.4 tonnes of uranium oxide from MKU to a U.S. power utility should be shipped.

The Government indicated its view that an earlier ACTU resolution which would cause unions to disallow shipments until the report of the Fox Committee of Inquiry was considered should not apply to this shipment.

An interim report of the Fox Inquiry is expected by the end of August, and no further shipments of uranium oxide from MKU are required to be made before October.

The unions have now reaffirmed their earlier decision, but have urged that the Government should enable the 45.4 tonnes commitment to be made by, in fact, underwriting the ability of MKU to borrow from an overseas stockpile.

Successive Governments have reaffirmed that existing contracts will be honoured. It is natural therefore for the company, the purchaser and the Government to look to this amount to be supplied from production at MKU in the normal way.

I repeat what I have said before: existing contracts will be honoured by Australia. The Government will, after urgent discussions with the company, re-consider options in the light of the unions' request.

The threat of cutting off production at MKU will not weigh in the Government's consideration. That would result in the unemployment in an isolated area of some 300 people, but would be solely as a result of the unions' own actions.