

# Chapter 1

## Introduction

### Background

1.1 The Uranium Royalty (Northern Territory) Bill 2008 was introduced and read a first time in the House of Representatives on 3 December 2008.<sup>1</sup>

1.2 On 4 December 2008, on the recommendation of the Selection of Bills Committee, the Senate referred the provisions of the bill to the Standing Committee on Economics for inquiry and report by 30 April 2009.<sup>2</sup>

1.3 The bill seeks to apply a uniform royalty regime to all new mining projects in the Northern Territory, including those containing uranium and other designated substances, such as thorium. This would be achieved by essentially mirroring the existing profit-based mineral royalty regime under the *Mineral Royalty Act 1982* (NT) and applying it as a Commonwealth law.<sup>3</sup>

### Conduct of the inquiry

1.4 The committee advertised the inquiry in *The Australian* on 17 December 2008 and invited written submissions by 13 February 2009. Details of the inquiry were placed on the committee's website. The committee also wrote to a number of organisations and stakeholder groups inviting them to make submissions.

1.5 The committee received 11 submissions to the inquiry. These are listed at Appendix 1, and are available at the committee's website [http://www.aph.gov.au/senate\\_economics/](http://www.aph.gov.au/senate_economics/).

1.6 Three public hearings were held, two in Darwin (31 March and 1 April) and one in Canberra (8 April). Witnesses who appeared at these hearings are listed in Appendix 2.

1.7 The committee thanks all those who participated in the inquiry.

### Outline of the report

1.8 Chapter 1 provides information about the referral of the bill to the committee and the conduct of the inquiry.

1.9 Chapter 2 provides an outline of the bill, its financial impact and the Government's objectives in relation to the bill.

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1 *Votes and Proceedings*, No. 68, Wednesday 3 December 2008, pp 776–777.

2 *Journals of the Senate*, No. 52, Thursday, 4 December 2008, pp 1445–1446; Selection of Bills Committee, *Report No. 17 of 2008*, dated 4 December 2008.

3 The Hon Martin Ferguson MP, Minister for Resources and Energy, *House of Representatives Hansard*, 3 December 2008, p. 12302.

1.10 Chapter 3 examines current royalty regimes for uranium and other minerals in the Northern Territory and other jurisdictions, such as South Australia and Saskatchewan.

1.11 Chapter 4 discusses issues raised in relation to the bill including the aspiration for a consistent and stable royalty regime for all minerals in the Northern Territory and the impact on payments to traditional owners and revenue to government.