



TRANSCRIPT

NUCLEAR REPORT URGES ENERGY RETHINK

ACCI Chief Executive Peter Hendy on ABC Radio's The World Today Program - Nuclear Energy - 21 November 2006

ELEANOR HALL: Now to Canberra and the report on Australia's nuclear future.

Australia could start producing nuclear power within 15 years, with 25 reactors producing over a third of the nation's electricity by 2050. That's according to the Federal Government's Energy Inquiry, which was commissioned by the Prime Minister.

Headed by former Telstra chief Ziggy Switkowski, the review suggests that if all Australian uranium was processed domestically, it could add almost \$2-billion to the economy.

But the report says that nuclear power will only become competitive if the costs of greenhouse emissions from coal and gas-fired power are explicitly recognised.

In Canberra, Alexandra Kirk reports.

ALEXANDRA KIRK: The starting point for Ziggy Switkowski is that Australia holds 38 per cent of the world's known low-cost uranium reserves, it's well positioned to increase production and export of uranium oxide to meet market demand, and that nuclear power has a much lower "greenhouse signature", as he puts it, than Australia's current major energy sources for electricity; brown and black coal, and gas.

According to the taskforce nuclear power is "a practical option for Australian electricity production".

The draft report to the Federal Government says if all Australian uranium was processed domestically it could add \$1.8-billion to the value of uranium exports, a quadrupling of the current value.

On nuclear power, it finds it would be between 20 and 50 per cent more expensive to produce than coal or gas-fired power.

The gap could close over time, but Ziggy Switkowski's review concludes nuclear power will only become competitive if a price tag is attached to greenhouse gas emissions of existing electricity sources.

Even then, he says, private investment in the first-built nuclear reactors may need some type of government boost.

The earliest nuclear electricity could be delivered to the grid would be a decade away; 15 years is more realistic.

In one scenario, nuclear power could start in 2020, with 25 reactors producing over a third of Australia's power by 2050. Ziggy Switkowski says it's a position already surpassed by countries such as France, South Korea, Sweden and Belgium.

When it comes to disposing of high-level waste, the report says deep underground repositories are the answer, and Australia has suitable areas that wouldn't be needed until around 2050.

But it suggests there may be opportunities for Australia to send spent fuel to an international repository in a fuel supplier

nation like the United States.

The Chamber of Commerce and Industry's Peter Hendy is positively disposed to Australia embracing a nuclear industry.

PETER HENDY: We regard nuclear energy as a genuinely viable option. It is a potential option to help deal with climate change in this country.

Those who ideologically oppose using nuclear as an option to deal with climate change are actually not friends of the environment.

ALEXANDRA KIRK: Labor leader Kim Beazley says there's no economic or strategic argument for enriching uranium, and that nuclear power doesn't stack up either.

KIM BEAZLEY: Our position for renewables, a clean coal technology. Howard's position, nuclear power. A very simple contrast.

The nuclear power option does not stack up. It does not stack up strategically, it does not stack up economically, and it does not stack up environmentally.

The Australia we lead will be powered by renewables and clean coal, not reactors.

ALEXANDRA KIRK: The Environment Minister, Ian Campbell, says all technologies need to be used to address climate change; including nuclear.

IAN CAMPBELL: The Labor Party needs to park their 1960s ideological baggage at the door and come into the real world. In the real world, climate change is a real challenge, and you will need nuclear.

KIM BEAZLEY: But there is no doubt. If John Howard is re-elected, Australia faces a nuclear future, and therefore a less safe one and a less environmentally clean one.

ELEANOR HALL: That's the Federal Labor leader Kim Beazley ending that report from Alexandra Kirk in Canberra.