

Former diplomat calls for uranium sales

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Australia should embrace India's hunger for nuclear power and let the South Asian nation invest in Australian uranium, says a former top diplomat.

Indian companies have generated publicity for buying large swathes of land in Queensland - including food-producing farms - for coalmines, and foreign investment in uranium mines would be equally controversial.

Former Australian deputy high commissioner to India, Rakesh Ahuja, said Australia's uranium industry was a missing link in the energy resources sector.

Australian uranium companies should be preparing for the opportunity as India spends hundreds of billions of dollars shoring up energy security, as that nation targeted seven per cent economic growth a year, he said.

"The Australian uranium industry can play a major role in satisfying India's hunger for energy resources - and thus promote Australia's long-term economic and political interests," Mr Ahuja said, ahead of speaking at the Paydirt 2013 Uranium Conference in Adelaide on Monday.

The federal government's attitude to exporting Australian yellowcake to India has thawed, with it now negotiating an agreement on safeguards before sales to the nuclear-armed state can go ahead.

The Queensland state government dumped a long-held ban on uranium mining last year, amid claims from Premier Campbell Newman that the state had \$10 billion in known deposits.

Mr Ahuja said that, with India highly dependent on imports of oil, gas and coal as well as uranium for energy security, the implications for Australia could not be ignored.

"India is actively scouting for uranium imports to feed its expanding atomic power infrastructure and for prospective investments in related assets overseas," said Mr Ahuja.

Nuclear power currently contributes less than five per cent of Indian electricity but it wants to increase that to 25 per cent by 2050 through massive investments.

The failure of its power grids last year led to 600 million people in 22 states being without power for up to a day.

Australia's known uranium resources are the world's largest and it is the world's third-ranking producer but uses no nuclear power itself for electricity.

However, uranium faces strong opposition due to the health risks of radiation through accidents at nuclear reactors and waste, seen most recently in the Fukushima nuclear disaster of 2011.