



Australian uranium and the election

On Saturday Australians go to the polls in their general election. But, because of the equivocal recommendations of the Fox Commission on the mining of the country's large, rich uranium deposits, Mr Fraser's supporters find themselves over something of a nuclear barrel

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On 25 August, 1977, the Australian government announced its decision to allow the large-scale mining and export of Australian uranium. The decision itself was no surprise; the announcement of it had been expected almost daily since the end of May, when the second and final report of the Ranger Uranium Environmental Inquiry (the Fox Commission) was published.

This report and its predecessor (see *New Scientist*, vol 74, p 573) were the result of a 1½-year public inquiry into all aspects of the proposal to mine the rich uranium deposits in the Northern Territory. Although they contained a wealth of information and conclusions about all aspects of uranium mining and the nuclear power industry, the reports did not make an unequivocal yes or no recommendation as to whether mining should be allowed to proceed.

Long before the commission reported, the government had made it clear that it was strongly in favour of uranium mining. This was not surprising, given the widespread expectation of huge profits and a large contribution to export revenue from exploiting Australian uranium deposits, which are of a high grade and large size. Hence interest in the 25 August announcement was centred on the conditions the government placed on the mining project and also on the arguments it put forward to support its decision.

The arguments presented by the government are of particular political importance in the light of the new policy of the opposition Australian Labor Party, adopted seven weeks earlier in July at its national conference. The policy is one of indefinite delay to starting uranium mining,

pending satisfactory resolution of various problems associated with nuclear energy, particularly the increased danger of proliferation of nuclear weapons and uncertainties about the safe disposal of radioactive wastes. The conference also committed a future Labor government to repudiate contracts previously entered into by a non-Labor government. Unlike, for example, the British Labour Party, the Australian Labor Party when in government is bound by decisions of the national conference.

In announcing his government's decision last August, the Prime Minister, Mr Fraser, presented the arguments in the form of "four fundamental considerations". These related to reducing the risk of nuclear proliferation, supplying energy "to an energy-deficient world", protecting the environment from the effects of mining, and protecting the interests of the Aboriginal people who live in the neighbourhood of the proposed mines.

A righteous facade

The arguments in all these areas are subject to severe criticism if not outright rebuttal. Indeed, it is easy to be sceptical of the government's stated motives, since the large expected economic benefits of uranium mining are seldom mentioned and are explicitly claimed by the government to be of secondary importance. Some of the advocates of uranium mining, such as some backbench government MPs, do not maintain the same righteous facade, and freely refer to investment and profits as the major justification for mining and export. It seems safe to say that, if uranium mining were not likely to be profitable, worries about nuclear proliferation or an energy-deficient world themselves would be considered to be of secondary importance. In any event, here we shall restrict ourselves to the issue of nuclear proliferation and related diplomatic manoeuvrings.

Until very recently, the link between nuclear power production and the capability for making nuclear weapons was not a major issue in the nuclear debate around the world. In Australia, it would be fair to say that governments had given almost no thought to the matter prior to the publication in October, 1976, of the first report of the Fox Commission, which concluded: "The nuclear power industry is unintentionally contributing to an increased risk of nuclear war. This is the most serious hazard associated with the industry."

Since this statement, international moves have been chiefly concerned with the reprocessing of spent reactor fuel to extract plutonium, and the recycling of the plutonium as fuel in either "burner" or breeder reactors. It is widely agreed that this part of the nuclear fuel cycle provides the best opportunity for a nation wishing to produce nuclear weapons clandestinely (see *New Scientist*, vol 75, p 168). In January this year the Canadian government announced that it would stop exporting uranium and that all future exports would be on the condition that Canadian approval be obtained before fuel from Canadian uranium was processed. Early in April President Carter proposed a policy to postpone indefinitely the introduction of reprocessing and the fast breeder reactor. In order to provide some inducement, measures to provide "adequate and timely supplies of nuclear fuels" were proposed.

The availability of Australia's rich supply of uranium would be of considerable assistance to Carter in pursuing this policy. Carter's policy was of even greater assistance to the Australian government, for it provided an apparent justification of impeccable righteousness for their preferred policy—an immediate start to the rapid exploitation of Australia's uranium. Australia was firmly committed to support the US position and, as already mentioned, reducing the risk of nuclear proliferation was the first argument used by Mr Fraser in support of his government's position.

It has become apparent in recent weeks that the Fraser/Carter policy for Australian uranium is in difficulty. None of the countries which might wish to buy uranium is in favour of the policy. All resent the proposal to prohibit reprocessing of fuel supplied by Australia. Third World countries with an interest in nuclear power, such as Brazil, Iran and India, see it as discrimination against them by the US. Other countries see the Carter policy as an attempt by the US to restore the monopoly control over the world nuclear power industry which it formerly exercised via its stranglehold on enrichment capacity. Interestingly, this view seems to be quite widely held among senior officials of the Australian Atomic Energy Commission, many of whom were trained in the UK during the 1950s.

More particularly, the nuclear industries in France, UK and West Germany regard the US move as a means of nullifying the technological superiority which they hold over the US in reprocessing and fast breeder reactor development. At least some of these countries, and Japan, are unlikely to be satisfied by guaranteed supplies of Australian uranium, even at favourable prices. Their concern, above all, is to reduce their physical dependence on overseas energy supplies. And it is these countries which are the major potential customers for Australian uranium.

All these issues and many more are the subject of study and negotiation in the International Fuel Cycle Evaluation Program, a US initiative which got fully under way with a conference in Washington, DC in October. The whole programme is expected to last at least two years, and it seems unlikely that any countries will sign contracts for Australian uranium until it has finished.

This places Mr Fraser and his government in a difficult situation, given their manifest eagerness to sell Australian uranium. In terms of domestic politics they might be able to backtrack on their safeguards policy and withstand the

subsequent political outcry. There have been clear indications of a willingness to use strong measures against protest demonstrations and against the trade union movement, which is certain to make difficulties for the government. However, so long as the US and Canada maintain their stand, it will be extremely difficult for Mr Fraser (assuming that he is still Prime Minister after the general election on 10 December) to soften his policy on nuclear proliferation in order to obtain uranium contracts.

Notwithstanding the lack of orders, work connected with the development of the Ranger mine in the Northern Territory has already started. The government is in a strong position to influence the decision to start, since it is providing almost three quarters of the development capital. This arrangement between the government and the companies which found the deposit was entered into by the previous Labor government. It was not repudiated by the present government, despite strongly held ideological objections to governmental involvement in such activities, possibly because it wished to be able to start development with a minimum of delay. None of the other prospective uranium mines has the advantage of government financing. Some doubt must therefore be held about the prospects for an early start on construction of these other projects.

International commitments

All in all, the present situation is rather ironical. There is no doubt that access to low-cost Australian uranium would be a most welcome boost to the morale of the beleaguered nuclear industry. Mr Fraser and, more particularly, some of his colleagues have made it quite clear that they are enthusiastic supporters of the industry and the giant international corporations of which it consists. Yet the Australian government is unable to promote mining as rapidly as it would like because of the international commitments it has made to provide a justification for its policy.

It is worth mentioning the counter-arguments being used by the Australian domestic opposition to uranium mining, which has been a major force in slowing the introduction of mining and in leading to the government's efforts to justify its actions. The anti-uranium movement argues that the best way to stop the introduction of reprocessing and the breeder reactor, and other aspects of the plutonium economy, is to stop the expansion of the nuclear industry and to promote adoption of renewable energy sources and energy conservation. Australian uranium would promote an increased dependence on nuclear electricity, would expand the political and economic power of the nuclear establishment, and would help increase the number of burner reactors which, upon exhaustion of uranium reserves, would "need" to be fuelled by plutonium. On the other hand, stopping the export of Australian uranium would slow the expansion of nuclear power, by slightly increasing costs and difficulties for the industry, and more importantly by its psychological impact on the industry and upon citizen anti-nuclear groups around the world.

Both sides in the uranium debate in Australia realise that the government's announcement marks only a new stage in the struggle. The uranium companies are conducting a massive advertising campaign, believed to have cost over a million dollars so far, while the community-based opposition groups are expanding their education and action campaigns. The latter efforts seem more successful at the moment, if opinion polls are any indication.

Mr Fraser is a millionaire property owner whose inherited wealth is firmly based on a much longer established, more valuable and less complicated Australian export than uranium, namely wool. He may now be wishing that he had stuck with wool and had not gotten involved in the complexities of international nuclear politics. □