

Australia's moral duty

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SOUTH Australian Resources Minister Tom Koutsantonis said Australia's uranium sector had a moral duty to meet the increasing energy demands in developing Asia.

Speaking at the annual Paydirt uranium conference in Adelaide, Koutsantonis said the state which produced 58% of Australia's uranium last financial year had a responsibility to share its know-how and material output with the global energy market.

"The International Energy Agency (IEA) has estimated the number of people without access to electricity today is 1.3 billion," he said in a prepared speech.

"That is about 20% of the world's population and there are many more people that have limited access to reliable supplies.

"It is my contention that Australia as a net energy exporter has a moral duty to lift people out of poverty and to meet rising living standards."

Koutsantonis noted the coal-fired electricity blackout last year in India, which left more than 500 million people in the dark, and said that expansion of uranium usage was needed if developing giants, and the rest of the world, were going to reduce their dependence of fossil fuels.

He cited a report from the IEA that energy demand would rise by a third over a 25-year horizon and projected that increasing restrictions on carbon-based pollution would open opportunity for the uranium space.

China, unsurprisingly, is expected to be the largest player in this growth, with the country projected to increase its uranium consumption at an annual average rate of 9% through to 2018.

This increase will almost double China's uranium consumption from 7700 tonnes to 13,500t within five years.

"From my recent visit to China I can safely say that I have seen firsthand [that] China is not planning to slow down its rampant growth anytime in the near future," Koutsantonis said.

"It is still a country on the move, and a country that is developing to provide better living standards for its population."

Worldwide, the Bureau of Resources and Energy quarterly report said that uranium consumption would rise with 75 new reactors with a combined capacity of 80 gigawatts projected to start up between now and 2018.

Koutsantonis flagged his state's efforts to meet this projected market with a series of initiatives, including the "sunset clause" which publishes old exploration results held by the government and the "Plan for Accelerating Exploration" which played a role in the discovery of the Four Mile uranium deposit.

To illustrate a wide-ranging commitment to minerals expansion in SA, the minister even evoked the development and application of geobotany and biogeochemistry as mineral exploration tools.

"It is quite amazing to think, but by studying the chemical composition of plant leaves and kangaroo droppings they are able to identify the chemical signatures of buried mineral systems," he said.

Acknowledging a "tough year" for uranium and the challenges of financing resource projects in an extremely constrained market, Koutsantonis invited local companies to pursue state aid.

"I want to make it completely clear that this government will stand by the mining industry," he said.

"I have said this many times before, but I want to reiterate that my door is always open.

"If you feel there is something that I or my department can do to assist the industry and bolster mining investment, I will do everything I can."