

A high-level nuclear waste dump for SA

Should we do it for the money?

The Nuclear Royal Commission claims some eye-popping revenue figures to take the world's high-level nuclear waste.

With fears about the economy and future job losses, it's easy to be tempted.

The big question is: if it is such a good deal, then why aren't other countries rushing to do it? Something just doesn't add up.

The reality is there is no massive windfall. In fact, there is a very real chance it will actually end up costing us money. Why?

- ▲ There is no international market for nuclear waste. Therefore, any prices or costs are pure guesswork based on assumptions and modelling.
- ▲ The Royal Commission's economic modelling contains some extraordinarily optimistic assumptions about future energy costs, profit levels & interest rates.
- ▲ It assumes that countries with waste stockpiles will pay an inflated price with no real-world justification, and that no other country will choose to compete and offer a cheaper option.
- ▲ It assumes that Australia, a country with very little nuclear experience, will be able to do something that no other country has ever managed, at a much lower cost than experienced countries estimate.
- ▲ The modelling doesn't include billions of dollars of extra costs like transport, shipping and insurance... and the list goes on and on...

Perhaps that's why the consultants who did the

- ▲ the modelling acknowledge there is a 100% error margin in their calculations. **That means that project costs could easily double.**

- ▲ And even if it does make money, any earnings will have to be shared with other states. We will get less GST revenue from the Federal Government.

- ▲ If more realistic assumptions are made, the bottom line looks very different. Instead of bringing money into our state, it could bankrupt us.
- ▲ The State Bank collapse cost SA around \$3 billion. If this project goes pear-shaped we could lose \$128 billion.

At the end of the day, it's simply impossible to weigh up fairly up-front benefits and long term (thousands of years) costs. As prominent SA economist Professor Dick Blandy says: *"The problem with the high level nuclear waste dump is the inescapable risk... of severely adverse outcomes that we might be passing on to tens of thousands of future generations of South Australians... We should think of what we will leave to our descendants – and not do it."*

Possible financial outcomes for SA

