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### Canada's troubled nuclear industry

## Ending a dream, or nightmare

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### The government opts not to pour more money down the nuclear "sinkhole"

NO ONE should have been surprised when Canada's elderly nuclear research-reactor near Ottawa sprang a leak last month, prompting a prolonged shutdown that removes two-fifths of the world's supply of a medical isotope widely used in the diagnosis and treatment of cancer. After all, the government-owned reactor was fired up in 1957, the same year that the Soviet Union launched *Sputnik* and Elvis Presley starred in "Jailhouse Rock". But the reactor's second unscheduled shutdown in as many years left health officials in Canada and the United States scrambling to find alternative sources of the isotope. Hospitals in both countries rescheduled thousands of tests and treatments.

This debacle has stirred Stephen Harper's Conservative minority government into a decision. It says it will divide AECL, the state-owned atomic-energy company, into two, privatising all or part of its division that makes and services nuclear-power stations while winding down the research reactor. Eventually, says Mr Harper, Canada will get out of making isotopes altogether. His spokesman used blunter language, saying that AECL was "dysfunctional" and a "sinkhole" that has cost the Canadian governments C\$30bn (\$26.5 billion) since its creation in 1952.

Critics worry that the government is getting out of the nuclear business just when concerns about fossil fuels are prompting its renaissance. They believe that demand will rise not just for medical isotopes but also for Canada's CANDU reactors, which use a different technology from many elsewhere. Canada led the world in the development of radioactive isotopes for medical diagnosis and therapy, says Jacalyn Duffin, a medical historian at Queen's University in Ontario. "Why quit now?" But supporters of privatisation such as the C.D. Howe Institute, a think-tank, say that AECL is too small to survive, and the sale of its potentially profitable parts is the only way a nuclear resurgence in Canada is possible.

Canada's dream of being a nuclear power began in 1943 when Mackenzie King, the prime minister, agreed with Winston Churchill and Franklin Roosevelt to co-operate on nuclear research. But government backing for peaceful nuclear operations later withered, a casualty of deficit-reduction under the past two Liberal governments and the Conservatives' preference for smaller government. With a stimulus package driving the federal budget's forecast deficit up to C\$50bn this fiscal year, Mr Harper does not want to add to the C\$1.7 billion his government has given AECL since coming to power in 2006.

Health officials in the United States are seeking an American supplier of medical isotopes, having decided that Canada is no longer a reliable source of molybdenum-99, which when processed into technetium-99m is used in two-thirds of all diagnostic medical-isotope procedures south of the border. As long as AECL was working on two replacement reactors, American processing firms were content to wait. But Canada cancelled the replacement programme last year when the new reactors, already eight years behind schedule and hundreds of millions of

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But not for much longer

dollars over budget, failed tests.

In Canada the isotope shortage has become a liability for Mr Harper. Lisa Raitt, the minister responsible for AECL, apologised to cancer patients after she was caught on tape discussing how her career might benefit if she solved the "sexy" isotope crisis. Leona Aglukkaq, the health minister whom Ms Raitt also criticised in the taped conversation, says she has arranged for new supplies from Australia. Yet Australia has problems of its own with its single, albeit newish reactor, and has recently been importing isotopes from South Africa. Capitalising on government disarray, Michael Ignatieff, the Liberal leader, demanded more information on isotope supply as one of several small concessions he extracted from Mr Harper in return for keeping the government in office by agreeing to back it in a confidence motion on the budget due for debate in the House of Commons on June 19th.

AECL's nuclear-power business has also suffered in recent years. Its CANDU reactors were once thought superior because they could be refuelled without shutting down. But rival technologies have improved. Potential foreign buyers of the company are waiting to see whether AECL's latest, previously untried design wins a competition this summer to build a new reactor for Ontario's provincial government. Should the province select either of two rivals—a French consortium headed by Areva or an American consortium headed by Westinghouse, both of which use different reactor technology—the new CANDU design will probably be aborted. AECL's business would be limited to servicing the 48 nuclear-power plants around the world that use its technology. And Canada's nuclear dream would have died.

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