

West Coast welcomes economic reboot

Simon Hartley - Tue, 21 Apr 2020

Quarries and alluvial mines on the West Coast are expected to resume operations next week with the country moving to Alert Level 3, the latter buoyed by the high price of gold.

Most quarries have been closed across the West Coast and for the past three weeks it has been estimated 20-30 alluvial gold operations employing 150 - 200 people were shut; other than for brief security and environmental checks.



Minerals West Coast manager Patrick Phelps told *Inside Resources* today that the high gold price and low diesel costs at present boded well for alluvial mine operators.

"It'll make it easier for anyone to get through the carnage of the past month, with good returns for the next couple of months," he says.

Gold prices hit USD\$1,741 (NZD\$2828) last week and is today trading just above USD\$1,690 (NZD\$2662).

'Dirt flying' at Notown ground next week

Amalgamated Mining's Brett Cummings says it was "too heart breaking" to watch the ascending gold price during the past three weeks while being unable to work.

"There will be some dirt flying on Tuesday, we just hope the gold buyers have enough money to buy it all," he quipped.

Cummings will have up to five staff working on Thursday and Friday this week to prepare his Notown ground for the resumption of mining, and expected seven staff on site "in full swing", come next Tuesday, he told *Inside Resources* today.

Cummings' main screening plant utilises two Hyundai 30t diggers, Komatsu 30t and 50t dump trucks and a 60t loader; putting through about 500 bucket loads a day, or about 2,000cu m a week.

He will be following MinEx health and safety guidelines, with staff travelling to the site individually, filing daily health questionnaires, observing distancing and holding staff-visitor registrations.

He predicted most alluvial operators will be mirroring his intent to resume operations as soon as possible.

"It'll be great to get back into it," Cummings says.

Changes ahead for Coast economy

Phelps says while most operators "will pull through, some will suffer," he says of less experienced alluvial operators around the district.

He is predicting the structure of the West Coast economy will change over the next two years.

Even before Covid-19, Phelps understood the GDP contribution of combined accommodation and hospitality was less than the primary sector.

"Work will get underway in construction, forestry and road works, mining will be no different," he says.

Given the demise in tourism-reliant operations, the population will become more reliant on the overall primary sector, he says.

Quarries to resume as workloads increase

With construction set to resume, Phelps expects roading projects to restart and that meant aggregate work for quarries, some of which would also need to boost their stockpiles.

Mirroring the sentiments of quarry operators across the country, Phelps said there had been "much frustration" on the coast by miners over having to be in lockdown, with operations ceased.

"There could have been some regional separation [considered]," Phelps says of the low incidence of Covid-19 on the small West Coast population of around 32,000 people.

"There would have been people keen to get back out on the screens [earlier]," Phelps says.

Like many quarries, the gold miners were often at remote locations and staff were operating machinery far apart from their colleagues.

"It's been frustrating, it's not an insurmountable challenge," Phelps says of staff working on site and maintaining social distancing.

He said quarries and miners would be following strict health and safety protocols on site, including new industry protocols for using smoko rooms.