

Local groups lobby for public inquiry into Amax's dumping permit at Kitsault

A special dumping permit given to Amax more than two years ago by the British Columbian and Canadian federal governments is generating an increasing number of protests from several groups who are concerned about the Kitsault region where Amax plans to reopen a 9- to 10-million ppy moly mine.

The Nishga Indians, the Anglican Church of Canada, environmental groups, and a Parliament member from British Columbia, Jim Fulton, have begun exerting pressure on the Canadian government to rescind the permit which allows Amax to dump up to 6-million gallons per day of effluent in Alice Arm, the Pacific inlet about 800 km north of Vancouver where the Nishga fish.

The protests began to gain momentum last June but thus far have not disrupted plans to start production at Kitsault in April, an Amax official said. Amax contends that the effluent—which would contain arsenic, cadmium, copper, iron, manganese, lead, moly, zinc, mercury, radium, and other suspended solids—would settle on the bottom of the inlet because of natural stream drainage and therefore cause no threat to the environment or the salmon fishing on which the Indians depend.

Amax's general manager, Ken Lenton, stressed that before deciding to reopen the mine, which was operated by Kennecott from 1968 to 1972, Amax and several government agencies conducted extensive environmental studies. The research results indicated that the quantity of hazardous elements in the effluent would be below the minimum required by the permit.

Environmentalists' fears

Oceanographer Stephen Pond, however, says his data suggest tidal inflow of sea water into the inlet would keep at least part of the effluent suspended in the water, therefore rendering false the prediction that the material would sink and remain on the bottom of the inlet. Environmentalists also fear that the removed overburden may cause additional problems because it contains spillage (measuring 195 parts per million of PCBs) from the concentrator previously operated at the site.

The critics of Amax's dumping plans argue that the government was at fault in issuing the special permit because under the Federal Fisheries Act, an exemption from strict dumping regulations is allowed only when "minimum impact on the fishing has been critically established."

An Amax spokesman observed that no protests were voiced when the company originally applied for the permit in 1975 or when it received the permit in January 1979. Various groups, however, are currently campaigning to force the federal government to send the case to the Federal Environmental Assessment Review Office (FEARO) for the public hearings, but a FEARO official told *Metals Week* that the project still has not been referred to the agency.

The Nishga have been given C\$150,000 by the Federal Department of Indian Affairs toward the legal struggle against Amax. Meanwhile, the Canadian government has announced that it will establish a scientific panel to issue by June 1 a report on the possible effects of the effluent. LeBlanc clarified, "We are trying to get a scientific review of the project, not a legal one—because it is not a legal problem." He added that he is not preparing to rescind the special dumping permit.

Elsewhere in ferroalloys . . .

Kennecott is offering a new K-2 moly oxide price system to Japanese consumers to replace the less than successful system it proposed for 1980 (MW, Nov. 12, 1979, p3). Rather than basing its price on the midpoint between the MW dealer quote and Climax's export price, Kennecott is offering 1981 canned oxide at 90¢ per lb below Climax's price and drummed oxide at \$1.00 less than Climax's tag. Last year's request for a five-year contract is being re-

placed by a one-year contract option. The 1982 prices will be 40¢ per lb less than the Climax canned oxide price and 50¢ per lb below Climax's drummed oxide tag. Prices in 1983 will be competitive with but not above those of Climax, Kennecott said. Moly Kon, a trade association of Japanese refiners, refused to buy from Kennecott last year but has made no decisions about this year.

Japanese ferrochrome consumers have virtually stopped buying from South Africa and Zimbabwe for the first quarter and instead are making deals with European trading companies, sources in Zimbabwe report. Low-priced ferrochrome from Yugoslavia, Albania, and Turkey is also coming into the Japanese market. Japanese steelmakers have reportedly bought charge chrome for 40¢ per lb, which is about 5¢ per lb lower than African producer prices. Zimbabwean and South African producers hope to regain their share of the charge chrome market in Japan, but most consumers in that country appear determined to continue buying on a spot basis in order to curb the South Africans' efforts to hike prices to at least 48¢ this year.

In brief: The MW dealer moly oxide price slid to \$7.85-8.20 per lb from \$7.90-8.25, based on 310 tons of business. The low end of the quote represents Japanese sales. . . . The MW US spot tungsten ore quote was unchanged at \$135.50-137.00 per stu, with 25 tons of business reported. . . . Production of 1,110 mtpy of ferrocolumbium from the Catalao Ovidor deposits in Goias State, Brazil, will begin by the fourth quarter of 1982, according to the three Brazilian companies which have a stake in the joint venture called Goias Niobio. Prometal Products Metalurgicos and Metais de Goias will hold 51% and 24% interests, respectively, and a government-controlled company, Goias State, will own 25%.

MINOR METALS

Bismuth prices firm; spot material is tight

After months of looking like the only direction they could go was down, free market bismuth prices have begun to climb, hitting \$2.20-2.30 per lb last week, up from \$2.10-2.25. Merchants say the jump in bismuth prices from their low of \$1.95-2.00 in January has been caused by a shortage of nearby material. Some observers fear that bismuth's strength may turn out to be ephemeral because consumer demand is not good, but they still doubt prices will come tumbling down very fast. Asarco's daily bismuth price was reportedly hiked from \$2.35 to \$2.55 late last week. In other minor metal markets, cadmium firmed to \$1.85-1.90 per lb from \$1.80-1.90 and the MW mercury quote increased \$10 on the low and \$15 on the high ends of the range to \$385-395 per fl.

Elsewhere in minor metals . . .

Germanium metal and dioxide prices labeled "NY dealer" represent the list prices of the US sales representative for Metallurgie Hoboken-Overpelt of Belgium. To eliminate further confusion, the two prices will be renamed "Impt metal" and "Impt dioxide" and meet the following specifications: a minimum of 50 kg lot sizes, 99.999% pure germanium and germanium dioxide containing about 69.4% germanium, c.i.f. US airport, uncleared but with duty included.

Correction: The arsenic trioxide/Tacoma price listed on the MW weekly price page should be the bulk price, f.o.b. Tacoma, Wash. Since March, however, *Metals Week* has been carrying the list price for drummed arsenic trioxide. Beginning this issue, the bulk price of 31.75¢ per lb will replace the drummed quote of 40.75¢. The 1981 imported arsenic trioxide price rose to 45¢ from 35¢.