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Mining heavyweights pass virus test

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Chris Ellison's Mineral Resources says it will keep up an industry-leading testing regime until there are no cases of COVID-19 in Australia in a sign of how far the resources industry is willing to go to protect its operations.

Mineral Resources clocked up a drive-through, swab-screening milestone at the weekend when it hit 30,000 tests, with all results coming back negative for the virus.

The company's swab screening in Western Australia is the gold standard used by state and federal health authorities to determine whether a person is carrying the virus.

WA Chamber of Minerals and Energy chief executive Paul Everingham said the testing triumph in WA had allowed the resources sector to continue largely unaffected by COVID-19.

He said this provided more vindication of the state's hard border closure and company-backed moves to relocate interstate-based fly-in, fly-out workers to the west early in the outbreak.

Mineral Resources started swab-screening its entire fly-in, fly-out workforce in April and then offered its drive-through service to other companies, which have used it to supplement their own testing regimes.

The \$4.33 billion company – a major mining services provider as well as lithium and iron ore producer in its own right – has tested its own workforce as well as workers from BHP, Gina Rinehart's Roy Hill iron ore mine and gold miners Northern Star Resources and Ramelius Resources.

Mr Ellison decided early on that it was in everyone's best interest for mining to have high standard testing to guard against shutdowns.

The success of the WA approach is set to be borne out with the release of company results for the June quarter.

UBS analysts said vessel movements implied iron ore volumes for WA's big four – Rio Tinto, BHP, Fortescue Metals Group and Roy Hill – were up 5 per cent year-on-year in the June quarter.

They said Fortescue Metals Group appeared to have shipped close to 178 million tonnes in fiscal 2020

against guidance of 175 million-177 million tonnes.

BHP was estimated to have shipped 284 million tonnes, up 5 per cent on last year, and Rio to have shipped 161 million tonnes for its half year, up 4 per cent on the same period in 2019.

Gold, nickel, bauxite, lithium and oil and gas sector operations have also held up well against COVID-19, with most of the pain for LNG, lithium and bauxite producers coming from weak commodity prices.

Mineral Resources has drive-through testing hubs in Perth, Kalgoorlie, Mandurah and Port Hedland, as well as screening centres in Busselton, Esperance and Geraldton.

The measure has created jobs for more than 30 nurses and collectors trained specifically for the swab-screening process.

Mineral Resources chief operating officer Mike Grey said the company was doing everything possible to minimise the risk of workers being infected and spreading COVID-19.

"This has extended to offering our swab-screening services to our peers in the WA resources sector so that, together, we can make sure our industry remains free of the virus and keeps operating," Mr Grey said.

"Mineral Resources is proud of the role we have played so far in keeping this significant industry operating and, most importantly, protecting the health and jobs of the men and women who work in WA's resources sector."

Rio has completed more than 70,000 worker screenings in WA since introducing its rapid processing model in April.

The rapid screening process includes an online and face-to-face health questionnaire, a temperature check and a finger prick blood screen performed by a qualified nurse to detect viral-related antibodies.

Fortescue Metals Group was confident enough to return to normal rostering in June after having a clear run with its polymerase chain reaction testing regime.

Key points

WA resources companies have tested widely to keep operating despite COVID-19. The success in WA will be evident in company results for the June quarter.