Fiji’s agrarian economy depended primarily on the sugar industry and a large subsistence sector. Mining, however, was a small but integral part of the country’s economy; unrefined gold exports represented the second largest export commodity, typically composing about 6% of Fiji’s export revenues (Emperor Mines Limited, [undated], Gold mining in Fiji, accessed March 20, 2000, at URL http://www.emperor.com.au). The sugar industry, which was the largest contributor to the country’s export earnings, contributed about 8% to 10% to the gross domestic product (GDP). Gold, which was the basis of Fiji’s minerals industry, accounted for most of the input to the GDP from the country’s mining and quarrying sector.

In midyear, the Government passed legislation designed to make the country’s mineral tax policy more attractive and competitive for investment in mining and mineral exploration. The new legislation repealed the 3% export tax levy for gold and silver and replaced it with a 1% royalty to the Government. The placement of landowner royalties for gold and silver on a sliding scale was based on the price of the metals on the world market. In addition, the fuel tax and import duty rates were reduced (Mining Magazine, 1999).

Recommissioned in 1997, the Mount Kasi Mine in south-central Vanua Levu, Fiji’s second largest island, produced gold for the first time since its closing following World War II. Although the mine, which operated continuously from 1932 to 1946, was Fiji’s first economic gold producer, it soon was surpassed by the Emperor Mine where epithermal vein deposits within the Tavua Caldera have been the resource for continuous gold production since 1933. After lying unworked for nearly 50 years, Mount Kasi was reopened by Pacific Islands Gold (Fiji) Ltd., a subsidiary of Australia’s Pacific Islands Gold NL. Owing to losses caused by drought and a decline in the world gold price, however, Pacific Islands Gold placed the Mount Kasi Mine on care-and-maintenance in June 1998 (Resource Information Unit, 1999, p. 543).

With mining at Mount Kasi suspended throughout 1999, all gold and byproduct-silver production was from the underground Emperor Mine. The Emperor Mine, sometimes called the Vatukoula Mine for the town nearby, is about 100 kilometers (km) northwest of the capital at Suva on the main island of Viti Levu. The mine was owned by Australia’s Emperor Mines Limited, Fiji’s largest private employer with more than 1,600 employees. Although at yearend 1998, Emperor Mines was embroiled in a hostile takeover bid by Durban Roodepoort Deep Ltd. (DRD) of South Africa, the bid was withdrawn in March 1999 following legal challenges by Emperor. In January 1999, Indochina Goldfields Ltd., through its wholly owned subsidiary Kola Ventures Ltd., increased its interest in Emperor Mines to 18.2% to become Emperor’s largest shareholder (Resource Information Unit, 2000, p. 105).

Having survived DRD’s takeover attempt, Emperor Mines was planning to spend $50 million to increase its annual gold production in Fiji from 3,700 kilograms (kg) to almost 12,500 kg. About $31 million would be used to develop gold mineralized areas at depth at the Emperor Mine, and the remainder was to be used to bring the Tuvatu deposit, which is 50 km south of the Emperor Mine, into production (South Sea Digest, 1999).

Polymetallic deposits in Fiji typically have high precious- and base-metal grades. A number of base-metal sulfide deposits, disseminated porphyry copper deposits, epithermal precious-metal deposits, residual bauxite deposits, and manganese and heavy mineral sands deposits previously have been identified and evaluated. Because none of these deposits have been shown to have sufficient tonnage to be economically viable, gold and associated silver were the only commodities mined in 1999.

Fiji’s mineral industry also consisted of a cement plant next to the harbor at Suva and several quarries for the production of crushed gravel and stone, limestone, and coral and river sands. The cement plant has been operated by Fiji Industries Ltd. since it was commissioned in 1961.

References Cited

South Sea Digest, 1999, Mining and oil—Emperor plans major expansion at Fiji gold operations: South Sea Digest, v. 19, no. 2, April 9, p. 4.

Major Source of Information

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<tr>
<td>Cement, hydraulic</td>
<td>91,200</td>
<td>85,500</td>
<td>95,800</td>
<td>90,000</td>
<td>95,000</td>
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<tr>
<td>Gold, mine output, Au content</td>
<td>kilograms</td>
<td>3,496</td>
<td>4,452</td>
<td>4,671</td>
<td>3,690</td>
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<td>Silver, mine output, Ag content</td>
<td>do.</td>
<td>2,083</td>
<td>1,882</td>
<td>2,594</td>
<td>1,780</td>
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</tbody>
</table>

c/ Estimated.  r/ Revised.

1/ Table includes data available through April 7, 2000.
2/ In addition to the commodities listed, crushed and dimension stone, sand and gravel, and sand for cement manufacture are produced, but data are insufficient to make reliable estimates of quantities.
3/ Reported figure.