

Stone quarries suffer as slate dominates market

Welsh quarries are suffering as slate takes a greater share of the aggregates market.

One unnamed quarryman told CJ that the Aggregates Levy exemption for slate makes it increasingly difficult for limestone and granite in low-grade applications. He said the company's granite sales have dropped between 25% and 30% since the levy's introduction.

The source said his company faces tough competition from Alfred McAlpine Slate's North Wales operations, as he has to add the £1.60/t levy onto his prices. He said: "It's not McAlpine's fault, but it's given them an unfair advantage. In some cases they come in at 50% of what my prices are."

The source added: "There are instances of slate going into the ground two or three miles from limestone quarries."

A Hanson spokesman said: "Undoubtedly it's had a big impact on our limestone business. We could have put it into the local market at £1/t, but at £2.60/t it means the slate boys can move in."

McAlpine Slate operations director Paul Charmbury said the firm is selling further afield. "The Aggregates Levy has gone some way to offset transport cost and the material is now being successfully sold over a wider area of North Wales, with significant increase in annual outputs."

Reserves of slate waste from roof-tile operations are currently estimated at 730t. It is used for Type 1 sub-base, pipe bedding, drainstone and aggregate for concrete.

McAlpine is planning to move slate aggregates by rail. Charmbury said: "The only barrier to its use over a wider market area is one of economics, due to the comparatively high cost of transportation on a low-value commodity."

British Aggregates Association secretary Peter Huxtable said: "By giving slate a £1.60/t advantage over other cheap fill materials, it enables it to travel further. It has increased its catchment area and the government has rushed through planning permission to put in rail to enable it to travel further."

He added: "Some parts of the industry are effectively being given state aid. Our argument is not simply that the government should take the tax away, but that it should tax everything or nothing."