



AUSTRALIA'S TROUBLED GEM

AFTER MORE SETBACKS IN THE LOCAL OPAL INDUSTRY, NAOMI LEVIN ASKS IF ANYTHING IN THE MARKET HAS CHANGED

For decades opals have had a bad wrap. Too many of the poor quality stones have been inlaid into poorly constructed, kitsch tourist jewellery.

Couple this with a mining crisis, which sees opal miners attracted to the more lucrative coal industry for a stable wage, and it would be fair to say Australia's national gem needs a bit of help.

Unlike other gemstones, an opal's challenge begins when it is still in the ground. Opals only occur in specific geological conditions in sedimentary environments around the Great Australian Basin. To laymen, this means most opal is far, far inland in NSW, Queensland and South Australia – hundreds of kilometres from the closest cities. Being an opal miner is, according to those in the know, a tough and lonely existence.

Maxine O'Brien, who is manager of the Lightning Ridge Miners' Association in the region that is home to some of the most spectacular black opal, says government

regulations add to the pressures on opal miners, as has a 30 per cent drop in the field price of opal. This has resulted in lower output and fewer discoveries of new seams. "There are substantially less miners compared with five years ago and state government in NSW and Queensland are actively making life difficult for small miners through increased prices and regulation," she says.

Miners are not going down without a fight though, she explains. "Opal miners are lobbying hard and will have new areas opened up for exploration, which should result in increased production within the next five years."

Opal, like all stones, varies greatly in quality. Today, the larger stones, O'Brien says, are moving well. In the past five years, the top end – "larger stones of good to excellent quality" – has remained stable. The same cannot be said for the less expensive opal.

Allan Cheng, director at Opals Australia, estimates 70 per cent of Australia's opals are exported – that figure includes those bought in Australia by international tourists.

“Traditional export markets for opals include the USA, Europe, in particular the UK and German, and Asian regions spearheaded by Japan,” he says. “The Chinese market obviously has huge potential going forward.”

Once opal reaches the jeweller there are a number of different paths it can take. The most well-known, and possibly most maligned in the wider jewellery industry, is the low-end tourist market. But it is the design-focused, higher end that is being cultivated.

Much of the hostility toward opal in Australia is aimed at the tourist sector and its use of poor quality doublets and triplets, boring designs and shoddy craftsmanship.

Doreen Wallman, from Spectrum Gems in Sydney's Strand Arcade, has been in the industry for decades – since her family started mining the gem in Queensland – and has seen the industry from other sides too, having been involved in the wholesaling and export of opal, and now the retail and manufacture side. Her shop stocks a range of price points – all the way up to bespoke pieces – and relies significantly on the tourist market, these days mostly Americans, Brits and Germans.

It is with a sense of regret that Wallman speaks about much of the industry's focus on tourists. “It's never been promoted properly,” she says of opal, adding, “Diamonds are the thing every young [Australian] woman dreams of.”

As well as, in some people's opinion, tarnishing opal's reputation, the problem with relying on the tourist sector is when the visitors stop coming, so too do the sales. With the bleak financial situation in America and Europe, coupled with a very strong Australian dollar, the flow of international tourists has dropped – something Wallman has noticed.

Opal Australia's Cheng is partially relying on an economic bounceback to get the industry back on track. “The economic recovery of the key markets for opal will no doubt be closely monitored by the industry as a whole,” he says.

However, many see the future of opal as being in drastically increased domestic consumption. “We need more education by industry bodies,” Wallman says. “Most Australians have only seen the white opal their granny wore.”

Two other opal specialists interviewed for this story spoke of an identical refrain: customers walking into their store and asking in disbelief whether the magnificent stone in front of them is really an opal.

Ian McArthur, known to all as Mac, is an opal guru from Bellingen in New South Wales. He specialises in Queensland ironstone matrix, a stone where the opal veins and layers are virtually inseparable from their dark ironstone hosts. “The best way to market opal is to educate the Australian market so they speak on the stone's behalf,” he says.

“I educate people every day.” The day before our conversation, he taught a couple of backpackers about the beauty and rarity of opal. They ended up buying \$600 worth of opal – “That was probably all the money they had,” he laughs.

It is also a familiar situation to Kingsley Wallman, co-owner of Venerari in Sydney and the son of Spectrum Gem's Doreen Wallman. Kingsley Wallman has been selling design-focused, high-end jewellery for six years. He started out trying to “reinvent the opal”, but has diversified into other coloured gems. “Opal is still our largest-selling gemstone,” he says. “But there is still a perception that opal is a product for tourists only.”

Venerari uses only the best quality black and boulder opal, eschews doublets

and triplets and creates designs that showcase the opal in the best possible light. And it sells. “We do make big opal engagement rings,” the former lawyer turned gemmologist says. “I wouldn't have believed it myself six or seven years ago.”

Opal is softer than other stones – 5.5 to 6.5 on Mohs hardness scale, compared with a diamond's 10 – and requires a skilful jeweller to set it. This though, should not deter buyers, who, as with pearls, can maintain their opals with a little care to avoid scratches. Black, boulder opal is slightly harder than the white variety; it is also more sought after in cutting-edge design.

However, it concerns Kingsley Wallman that local designers are not matching these incredible stones with cutting-edge settings to attract local buyers.

“There is still an unrealised opportunity,” he says. “A perception that opal is a second-class citizen, but people are getting the wrong story. It's not so much about the stone, as about the design and service.” ✱

➤ P58 SOAPBOX

IAN MCARTHUR ON WHY THE OPAL INDUSTRY NEEDS TO CHANGE

OPALS 101

Precious opal is identified by vibrant colours originating from the structure of silica spheres, which make up these gemstones. Common opal, also called potch opal, has little or no colour. Here are a few varieties of precious opal that retailers might come into contact with.



Black opal Originates from Lightning Ridge in New South Wales. This most valuable opal is identified by its black or dark background and can include blues, greens, oranges and reds in each gemstone. The more valuable black stones will be bright, clear and have a consistent pattern.



White opal Most precious opal is white or light, which means it has a base colour that is white, grey or milky – this is the classic. White opal comes from Coober Pedy, Andamooka and Mintabee in South Australia. This is the easiest opal to make into jewellery because it is easy to cut.



Boulder opal Mostly found in Western Australia, South Australia and Queensland and is unusual in that the host rock becomes part of the gemstone. It usually occurs in ironstone boulders and can be black or white. A sub-set of boulder opal is the matrix opal, which sees the host rock play a feature in the attraction of the stone.



Doublet Simulates an opal by gluing a thin veneer of opal to a rock backing to give it a darker base. It is less expensive than a complete opal.



Triplet A veneer of opal, often low grade, glued to a rock backing and then topped with a crystal coating. The crystal magnifies the opal's colours.