

\$563M Lost in Gold, Platinum Production

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MARIKANA, South Africa (AP) — Strikes have cost South Africa close to 4.5 billion rand (nearly \$563 million) in lost gold and platinum production, President Jacob Zuma announced Monday as the mine where labor unrest began said it is halting work on shaft construction that will cost 1,200 jobs.

The strikes that have stopped work at seven gold and platinum mines also spread to the chrome sector, according to the South African Press Association. And police

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blocked politician Julius Malema, a diehard Zuma opponent, from addressing some 3,000 strikers gathered at a stadium at the Lonmin mine at Marikana, northwest of Johannesburg.

"Arrest him!" one officer ordered, giving Malema 20 minutes to leave or face arrest. This caused Malema to take off with his entourage.

"I'm leaving. We're getting out of here. Why are you chasing me? Are you going to shoot me?" Malema taunted, a reference to the police shooting of striking Lonmin miners, killing 34, on Aug. 16 in the worst state violence since apartheid ended in 1994.

Malema sprinted to his all-terrain vehicle and sped off. Police piled into two armored cars and two other vehicles and followed on muddy dirt tracks that wind through a tin-shack neighborhood with no water or electricity and where thousands of Lonmin's miners live. The police vehicles and a helicopter hovering above the politician's car checked that he left without speaking to any crowds. Police said they were preventing him from addressing an illegal gathering.



Church and opposition leaders condemned the state for its heavy-handed actions after police raided Lonmin mine hostels on Saturday and fired rubber bullets and tear gas to force people to stay home. Anglican Bishop Jo Seoka said it mirrored the force used years ago by the apartheid regime. The opposition Congress of the People party demanded the withdrawal of some 1,000 soldiers trucked over the weekend into the "platinum belt" 100 kilometers (60 miles) northwest of Johannesburg.

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"Soldiers are meant to defend a nation not (act for) a company's benefit," Seoka told reporters.

Zuma, speaking to a trade union congress in Johannesburg, blamed miners' poor living and working conditions on the apartheid past and the failures of mining companies to honor a charter to improve the lives of miners. Zuma said mining companies are required to improve the housing and living conditions of workers and also to invest in skills development, racial equity in employment and ownership as well as local community development. He said violence must not become a culture of South African labor relations.

Zuma called for a speedy resolution to the mining strikes. He said the strikes this year have cost South Africa close to 4.5 billion rand (nearly \$563 million) in lost gold and platinum production. Zuma said this year's work stoppages have subtracted nearly 3.1 billion rand (\$388 million) from the national treasury.

At the meeting, the secretary-general of the Congress of South African Trade Unions called for a broader and separate commission of inquiry into the killings of the miners, saying it should invest the employment and social conditions of miners and their "poverty wages."



"We are extremely concerned that the events of 16th August and the ongoing violence ... has shifted the focus and blame from the bosses who have been sitting in the shadows enjoying profits from the very workers whose families have now been robbed of their only breadwinners," Vavi said.

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London-registered Lonmin PLC told The Associated Press the company is losing production of 2,500 ounces each day the strike continues. Lonmin said Monday it is halting work on a new shaft and will not require 1,200 contract workers, among some 10,000 contract workers employed at the mine along with 28,000 employees.

Aquarius Platinum said work resumed at its mine Monday, and Anglo American Platinum said it would restart operations Tuesday under police protection at its four mines. Anglo American is the world's largest platinum producer, Lonmin the third largest. South Africa holds 80 percent of world platinum reserves.

A strike leader said some miners at Samancor Chrome stopped work Friday demanding a minimum take-home pay of 12,500 rand (\$1,560). The company said it had shut down operations voluntarily to protect workers from intimidation.

It is unclear how many miners are now striking. Mining companies claim it is a minority with tens of thousands of workers not reporting for duty because of violent threats and intimidation. Previous marches by strikers brandishing machetes, spears and clubs have numbered several thousand.

A machine operator under contract to Lonmin and living in the shantytown said Lonmin managers were trying to stop people from gathering: "They say they are afraid of people being killed." The man, who spoke on condition of anonymity for fear of repercussions, blamed the government and the National Union of Mineworkers for the violence.

Lonmin said negotiations would continue Monday after strikers last week rejected an offer of 16 to 21 percent pay increases that fell far short of the demands of striking rock drill operators for a minimum monthly take-home pay of R12,500 (\$1,560).

Bishop Seoko addressed strikers Monday and said he had won a new mandate to negotiate for a different, unspecified amount. "We are very optimistic," he said.

The chief economist of the Chamber of Mines, Roger Baxter, told Talk Radio 702 that the average rock drill operator earns an average monthly total before deductions of 11,689 rands (\$1,460) which he said put those workers in the top 20 percent of all earners in South Africa. For comparison, Baxter noted that semi-skilled steel industry workers earn 4,000 to 5,000 rand (\$500 to \$625) a month. Deductions often account for half a worker's salary.

Thomas Phakane contributed to this report from Marikana. Faul reported from Johannesburg.

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