S. Africa Workers Return to Anglo American Mine

JON GAMBRELL, Associated Press

JOHANNESBURG (AP) — Anglo American Platinum Ltd. said Thursday that miners at its operations in South Africa have returned to work, ending a more than eight-week strike that crippled the world's largest platinum producer.

The miners arrived at Anglo American Platinum's operations in Rustenburg, about 100 kilometers (60 miles) northwest of Johannesburg, and began attending safety seminars that morning, company spokeswoman Mpumi Sithole said. The safety training should take about a week to complete, meaning there won't be any platinum production during that time, she said.

"The company is pleased to welcome its employees back to work," Sithole said in a statement.

The strike at Anglo American Platinum, known locally as Amplats, began amid unrest across South Africa's mining industry, a major economic engine of the nation. The company fired 12,000 workers and then reinstated them, though the miners did not return to work.

Workers had demanded pay increases to give them 16,000 rand (about $1,800) in monthly pay. In the end, the workers settled for less. In the last several days, Amplats offered workers a one-time 4,500 rand ($500) payment, as well as either a monthly pretax allowance of 600 rand ($70) or a monthly pretax salary increase of 400 rand ($45). While striking workers said they still wanted higher wages, the fatigue of the long strike likely played a part in ending the standoff.

But the financial damage has already been done to Anglo American, a mining giant. In a statement Wednesday to investors, the company's platinum arm said its year-end earnings "will decrease by more than 20 percent" compared to last year. It blamed the strikes in part for the losses. Meanwhile, world platinum prices have risen about $200 an ounce to almost $1,600 during the unrest.

The end of the Amplats strike marks a slowdown in the unrest in South Africa's mining industry, a dominant source of platinum, gold and chromium for the rest of the world. Violence has continued at other mines, but largely workers have begun to return to work.

Meanwhile, strikes have hit South Africa's agriculture industry, another major part of its economy. Wednesday, their protest turned violent as workers set fire to some farms, overturned a police truck and confronted officers in riot gear in the country's Western Cape. The police fired tear gas to drive away protesters, as the sounds of gunshots could be heard in local television footage.

At least one man was killed in the violence and five others injured. On Thursday, police again confronted angry workers despite a claim by the government that a deal to delay protests had been reached.

Most of the striking workers come from the vineyards of South Africa, the world's eighth largest overall producer of wine. They are asking for an increase in the minimum day wage to 150 rand ($13), up from about 70 rand ($8).

The strikes come as South Africa faces a slowing economy and high unemployment. The nation's credit rating also has been downgraded by two major agencies, leading opposition parties to criticize the governing African National Congress.

Appearing before the country's parliament Thursday and facing hostile questions, President Jacob Zuma of the ANC at one point repeated three times: "This country is stable."

"You go to all of the democracies in this world and there are strikes continuously," Zuma said. "It does not (mean) that there is instability. You go to Paris, you go to London, you go to everywhere, there are strikes, they are a feature of democracy."

___

Online: Anglo American Platinum Ltd.: www.angloplatinum.com *[1]*

Jon Gambrell can be reached at www.twitter.com/jongambrellAP *[2].*

Source URL (retrieved on *07/12/2014 - 1:14am*):
http://www.chem.info/news/2012/11/s-africa-workers-return-anglo-american-mine

Links:
[1] http://www.angloplatinum.com/
[2] http://www.twitter.com/jongambrellAP