
Venezuela metals and mining sector hurt - Mr Gilberto

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Platts cited Mr Gilberto Sanchez Venezuelan Mining Chamber or Camiven President as saying that Venezuela's mining and metals industries are being undermined by the Hugo Chavez government's labor policies and expropriations. The labor problem is actually more significant than the financial woes.

He said that the Chavez administration had set up parallel unions and now the traditional unions were not even being recognized. This has created labor strife in companies such as General Motors, Mitsubishi and Toyota, severely diminishing their annual production in 2009.

Mr Sanchez said that in the mining sector, the Chavez administration recently expropriated a number of companies in the iron and steel industry without paying proper compensation. He said that "Then you have the situation in the gold industry, with Vanessa Ventures, Crystallex and Gold Reserve suing or about to sue the government in international courts to get back their mining rights and investments in infrastructure."

(Sourced from Platts.com)

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