
Downsizing deals - Jacobs Ranch buyout will cut 115 jobs

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It is reported that the sale of Rio Tinto's Jacobs Ranch mine to Arch Coal will eliminate 115 jobs at the coal mine. At the time the sale was announced in March, the two mines employed a total of 1,815 people.

Jacobs Ranch mine will be combined with Black Thunder mine, which is immediately south, to create the biggest mine in the Powder River Basin and possibly the world. Arch bought the mine for USD 764 million.

Mr Greg Schaefer spokesman of Arch said that fewer than 15 workers were laid off. The majority of the work force reductions have occurred through attrition since the announcement of the deal in March or through retention of salaried employees by Rio Tinto Energy America, according to an Arch press release.

A total of 600 employees of Jacobs Ranch Mine will now work for Arch at the combined mine. Management of the operations will be handled by Black Thunder's current management.

Mr Schaefer said that the operations of the two mines will be combined into one over the next couple of weeks. It will create one of the largest if not the largest mining operation in the world.

He added that "We need their technician group in order to keep the size of this thing running. So we need their truck drivers and their shovel operators."

(Sourced from www.gillette-newsrecord.com)

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