
Chile Spence striking miners warn of long haul

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Reuters reported that strikers at Chile Spence copper mine dug in their heels and threatened to invade installations and block roads, accusing owner BHP Billiton of stalling on contract talks to defuse their month long stoppage.

Mr Andres Ramirez union leader said that Spence workers camped outside the deposit in northern Chile's arid Atacama Desert may take matters into their own hands if the wage dispute drags on.

The 31 day strike has fanned supply fears in Chile and could add pressure to copper prices as workers at Zambia Konkola Copper Mines halted most operations over a wage dispute.

Mr Ramirez mine truck driver who travelled to Santiago to seek government mediation in the stalemate said that "If the company insists in not negotiating with the union, then we will have to use force. Our patience is running out and in 30 days or so we could resort to something more radical."

Spence workers clad in their khaki uniforms banged drums and blew whistles in front of BHP's offices in a towering glass building in Santiago's ritzy business district. Several government attempts to revive talks have failed as both sides blame each other for the stalemate.

The 560 member union downed tools on October 13th 2009 over contract disagreements, halting extraction at Spence that planned to produce 200,000 tonnes of copper in 2009. The impact on production is not yet known but the company said that it had to lower output to a minimum.

However, BHP was able to avert a strike at Escondida copper mine and is negotiating an early deal with workers at its 104,000 tonnes per year Cerro Colorado operation.

Some mining companies said that BHP's generous settlement at Escondida, which included USD 25,000 in bonuses for each worker, set the bar too high for other firms gearing up for contract talks such as state run Codelco.

(Sourced from Reuters)

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