
Downsizing deals - PT Freeport to cut 75 jobs

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PT Freeport Indonesia said that it will cut 75 jobs in its Jakarta office to reduce costs at a time of falling copper prices. Freeport has 12,000 employees in Indonesia, most of whom are employed at the giant Grasberg copper mine in Papua. It said its mining operations and production target would not be affected by the cuts.

Mr Mindo Pangaribuan spokesman of Freeport said that "In response to the significant decrease in commodity prices and related economic shift in recent months, we have initiated a company wide cost control program to reduce cost in all areas of our business."

In addition to the job cuts, hiring for all non-essential positions has been put on hold. The price of copper MCU3, which is used in electronics, electrical cables, and construction, has fallen more than 60% on the London Metal Exchange since hitting a record high of USD 8,940 a tonne in July.

The Grasberg mine, believed to be the world's third largest copper reserve, accounts for 40% of Freeport's total copper reserves of 93 billion pounds.

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