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## **Xstrata and Anglo merger to boost Queensland coal industry**

*Thursday, 25 Jun, 2009*

ABC quoted the central Queensland business group as saying that the merger between mining companies Xstrata and Anglo American would be a boost for the local coal industry.

Xstrata said that it has approached Anglo American's board about a possible amalgamation.

Anglo said that talks are at a very early stage.

Rockhampton Regional Development's Mr Gary Kerr said that such a merger would counter the impact of a possible deal between BHP Billiton and Rio Tinto.

He said that "For them to remain competitive, I think they need to certainly look at something along this type of merger. There'd be a lot more resources behind that much larger company to further operate and develop the mines in central Queensland."

Mr Kerr said that he does not believe a merger would threaten jobs. He said that "Like any merging organization any threats to employment I believe would tend to be more in the sort of higher end administration in head offices."

(Sourced from ABC.Net)

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