

# Sishen sees supply shortage

■ 120 000 tons a day lost to strike, Kumba unit says

**Dineo Faku and Sapa**

SISHEN Iron Ore Company (Sioc) has declared *force majeure*, informing ArcelorMittal South Africa that the supply obligations of its Sishen mine in the Northern Cape will be suspended because of a continuing wildcat strike.

The company said it did not know the duration of the *force majeure*, which was issued on Friday, although it expected the situation to continue for about two weeks.

Sioc is a subsidiary of Kumba Iron Ore, one of the world's biggest producers of iron ore, which said yesterday it was losing 120 000 tons of the finished product daily because of the strike which started on Wednesday last week.

"ArcelorMittal SA's Saldanha plant will be negatively affected if the above [action] continues for more than one and a half weeks as it has stockpiles to continue its operation for a limited period," the statement read.

It added that the other plants had enough stockpiles and alternatives should the industrial action continue for an extended period.

The company also advised shareholders of potential operational disruptions that might arise as a result of the countrywide transport strike.

"The nature of these potential operational disruptions will be disclosed once these have been firmed up or become clearer," it said.

Kumba suspended operations at Sishen on Thursday last week following a protest involving 300 permanent employees, out of the mine's 12 700-strong workforce, who are demanding salary increases of up to R15 000.

Meanwhile, the striking contractors at Petmin's Somkhele anthracite mine, near Mtubatuba in northern



**Striking Anglo American Platinum mineworkers march from the Waterval residential area to Bathopele mine in Rustenburg yesterday. Wildcat strikes have spread across the mining industry. The latest to suffer is Eland Platinum.** PHOTO: ITUMELENG ENGLISH

KwaZulu-Natal, have returned to work. Johan Gloy, the mine's chief executive, said yesterday that operations were returning to normal.

The mine's operations had stopped following a strike by about 350 workers employed by Sandton Plant Hire, the opencast contractor at Somkhele.

Gloy said in a statement that a deal had been struck between Sandton Plant Hire management and union leaders on Friday. The agreement was ratified by workers on Sunday.

The agreement included restructuring of wage packages, an increase in shift allowances and housing allowances, and the establishment of a working committee to address productivity at the mine.

In another protest, striking

workers at the Samancor Chrome Western mine, near Rustenburg, were expected to return to work next week, the National Union of Mineworkers (NUM) said yesterday.

"Samancor is not operating as we speak. Workers were released and told to return to work on October 16," said NUM regional co-ordinator Mxhasi Sithethi. "The employer decided a cool-off period was necessary to avoid violence or injury to people in light of all the strikes at mines."

Yesterday, Samancor said that absent workers at the Samancor Chrome Western mine were on annual leave and not on a legal or illegal strike.

However, staff at Xstrata's Eland Platinum mine are on strike, leaving the plant operating on skeleton staff.

"We can confirm that Eland Platinum has been on strike since last Friday," Xstrata spokesman Christopher Tsatsawane said yesterday.

Impala Platinum has given NUM three months in which to reach a threshold membership of 50 percent of the mining firm's workforce, or its recognition agreement will be terminated. Impala said its records put NUM representation at 13 percent.

The union said it was consulting its legal representatives to fight for its recognition at Impala, which has 28 000 employees. "We are shocked by what Impala is saying, they cannot tell us that the NUM has lost ground at Impala because there has not been a verification process," NUM spokesman Lesiba Seshoka said.