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CDM cuts back on mining jobs

WINDHOEK — De Beers Centenary AG's wholly owned Consolidated Diamond Mines (CDM) said 834 jobs at its various operations had been terminated.

The company said no more involuntary redundancies would be needed in the main mining area after a strong response to offers of voluntary redundancy or early retirement.

CDM said a total of 257 employees had opted for voluntary redundancy and 161 at three satellite mines had been retrenched.

CDM spokesman Dave Fushawes said the company was cutting its workforce to 6,000 from 6,000. This follows De Beers' Central Selling Organisation's decision to cut deliveries from producers by 25% last year in response to poor diamond markets.

"While the loss of job opportunities is regretted, it should be noted that only 3% of the total workforce was involuntarily retrenched," a statement said. — Reuter.
COMpanIES

Mining tax laws 'increase risk'

WINDHOEK — Gold Fields of Namibia said yesterday new mining tax laws in Namibia would increase risk to investors and threaten new projects.

Administration director Martin Churchhouse said it would not pay a dividend for the six months to June 30 because of low base metal prices and rising wages.

It was also unhappy over new tax laws including an increase in the write-off period for capital spending to three years from one year.

The company, owned by Gold Fields of SA, has paid a total of $50m in dividends since the end of its 1989 financial year.

Gold Fields said in a report to the government that recent income tax amendments and new write-off periods would affect new projects.

The new measures would affect projects by lowering the return on capital invested and in some cases increasing the period for recovery of capital, thereby increasing the risks run by investors significantly.

"Low rate-of-return marginal projects typical of Namibia will in many cases become unviable," Gold Fields said.

Churchouse said employee wages had risen 30% between 1992 and 1991 without a corresponding rise in productivity — Reuters.
Strike: Riot police called in

WINDHOEK — Riot police were called in yesterday to bolster local police on the third day of a wage strike by Namibian diamond miners.

A spokesman for De Beers Consolidated Diamond Mines (CDM) said local police could no longer control the situation in southern Namibia. Miners were blocking access to some mines and telephone lines had been cut.

The strike, which involves 3,500 of the total workforce of 4,500 people, has closed down three mining operations since Monday, CDM said.

Mr Peter Nahojo, general secretary of the Mineworkers' Union of Namibia, criticised the government for sending in riot police. Such action, he said, "would serve to politicise a labour dispute." Meanwhile a revised wage offer of 9.5% by CDM yesterday has been called a bid to defuse a potentially explosive situation.

CDM executive director Mr Abel Gower said picket lines were still plagued by "armed rogue elements." — Sapa, Own Correspondent
Namibian govt intervenes in CDM strike

ERICA JANKOWITZ

NAMIBIA’s government yesterday intervened in the strike at De Beers Centenary AG group’s Consolidated Diamond Mines, sending in riot police to bolster local police and halt violence on the picket lines. And in its bid to defuse the explosive situation at the three striking mines, CDM increased its wage offer to 9.5% from 8.5%, executive director Abel Gower said.

Sapa-AP reports that Namibian Mines and Energy Minister Andimba Toivo ya Toivo said Namibia could not afford a prolonged strike as the mining sector was vital to its welfare. CDM accounted for 13% of GDP and 36% of exports in 1992.

Gower said picket lines were still plagued by “armed rogue elements” intent on violence and intimidation in defiance of Monday’s court order. Investor confidence could be affected and police had been asked to step up their intervention. CDM was Namibia’s “most important company” and had been effectively held to ransom. Miners were blocking access to some mines and telephone lines had been cut. At least six people had been hurt.

Mineworkers’ Union of Namibia (MUN) general secretary Peter Naholo said the riot police “would politicise what was essentially a labour dispute”. MUN spokesman Hofmeyer said the union had exercised its right to “persuade workers peacefully” not to work.

Gower said informal talks with the union would continue, but would not comment on its allegation that management was referring to its principals in SA about improving its latest offer. The company was waiting for the MUN’s response. The union did not decrease its 15% demand.
Miners pledge to halt assaults

WINDHOEK — Striking miners at CDM in Oranjemund have agreed in writing to adhere to a court interdict forbidding the intimidation or assault of non-strikers, paving the way for resumption of wage negotiations this week.

Striking workers, last week assaulted and harassed staff reporting for work, causing CDM to break off wage negotiations. Non-striking workers were allegedly forced from their posts at knifepoint — Sapa
Strikers agree to comply.

WINDHOEK. Striking miners at Consolidated Diamond Mines in Orange-mound have agreed in writing to adhere to a court interdict forbidding the intimidation or assault of non-strikers, paving the way for resumption of wage negotiation.

Thus followed an informal meeting on Saturday between mine management, the local branch of the Mine Workers' Union of Namibian and the National Union of Namibian Workers. CDM's general manager, Keith Whitelock said:

He said the mine had accepted the unions' commitment to comply with the Labour Act and court order, but wanted clarification of what was meant by "peaceful picketing." Management also wanted guarantees that non-strikers be allowed to perform striking workers' functions. Strikers last week assaulted staff reporting for work, causing CDM to break off wage negotiations. — Sapa.
Miners' strike in Namibia ends

Windhoek — Striking workers and Consolidated Diamond Mines agreed in principle to end a two-week strike on Sunday night, and on a wage increase of 10 percent, CDJM and the Mineworkers Union of Namibia said yesterday.

The 3,500 MUN members on strike returned to work at midnight on Sunday, and the mines were reportedly fully operational yesterday.

The agreement to end the strike was expected to be signed yesterday morning.

MUN president John Shabomodi said skilled workers had won a 1 percent merit increment in addition to a basic 10 percent increase backdated to June. He said the strike had strengthened the union, proved worker unity and promoted confidence in the MUN.

— Sapa.
Diamond workers to end two-week strike

WINDHOEK — Striking workers and Consolidated Diamond Mines had agreed in principle to end a two-week strike and on a wage increase of 10%, the Mineworkers Union of Namibia (MUN) said yesterday.

Over 3,500 MUN members returned to work at midnight on Sunday, and the Oranjemund and satellite mines were reportedly almost fully operational yesterday.

MUN president Mr. John Shaetshedi said the strike had strengthened the union, proved worker unity and promoted worker confidence.

— Sapa
Namibian strike ends.

WINDHOEK — Striking workers and Consolidated Diamond Mines have agreed in principle to end a two-week strike and on a wage increase of 10 percent, the company and the Mineworkers Union of Namibia have said.

The 3,930 union members on strike returned to work at midnight on Sunday and the Ongono-mund and satellite mines were reported to be fully operational on Monday.

Union president John Shaetenhoudt said skilled workers won a one percent merit increment in addition to a basic 10 percent increase back-dated to June.

He said the strike had strengthened the union, proved worker unity and promoted confidence in the union among its members, who won a larger increase than workers not in the bargaining unit — Sapa.
Walvis Bay teachers go on ‘strike’

JOHN-VILJOEN
Education Reporter

CLASSES have come to a halt for more than 1600 House of Representatives pupils in Walvis Bay as teachers protest over uncertainties surrounding next week’s handover to Namibia.

De Dune Secondary School principal Eddie van Wyk said teachers had suspended classes until the department gave them clarity about their fate after the enclave’s incorporation on Monday.

About 970 primary and 660 high school pupils are affected by the action by 70 teachers at De Dune and Narraville Primary schools.

There had been no written confirmation from the Department of Education and Culture, House of Representatives, as to how the schools would function from March 1, he said.

Teachers did not know whether they would be seconded to other schools in South Africa or whether they would leave the department with an early retirement package.

“We are completely in the dark,” he said. Teachers want department officials to fly to Walvis Bay today to discuss their grievances.

Education minister Pieter Saaman was in Walvis Bay last week, but only to hand out service certificates and not to address teachers’ fears.

Mr. Van Wyk said many teachers had made their lives in Walvis Bay and were uncertain what would happen to their housing subsidies and other commitments.

Virtually every government department, except the Department of Education and Culture, House of Representatives, had told employees in writing of their fate once the enclave became part of Namibia.

This applied to teaching colleagues employed in Walvis Bay by other departments. It was possible Namibia would offer employment to some teachers in June but this had not been confirmed.

Department spokeswoman Theresha Hanekom said the teachers had been assured their service conditions were protected at least until December 31.

Agreement on the rights and privileges of all state employees in Walvis Bay was reached only late last week, she said.
Unions to take govt to court

Windhoek — Namibia's trade unions are set to take the government to court if it does not amend legislation aimed at attracting foreign investment.

The umbrella National Union of Namibian Workers said yesterday that it has given the government three weeks to promise to drop an "offensive" clause from the Export Processing Zone Act, which was passed in March.

The Act established an export processing zone at Walvis Bay in which no trade union activity will be allowed.

— Sapa.
Independent, but Namibia's workers aren't free yet

Two years after independence, pitiful wages, long hours, unemployment and poverty abound in Namibia, reports Martyn Halsall

"Unless a progressive and successful family planning programme is initiated, all efforts to raise living standards will fail as economic gains are absorbed by the increasing numbers of people.

More crowded, but no richer, than the rural areas are former black townships like Katutura, outside Windhoek. Migrant labourers drift south into this shanty town of tin-can and clay huts and slums of plastic tin cans and jerry-built shacks. Over crowded areas in the townships, many without running water or sewage systems.

Namibia replaced white domination without revolution - but has yet to radicalise society. The workers' conference, organised by their churches, concluded at the largely rural townships, with no grip on the working class and the consumer pressures that led to the end of apartheid.
Namibian workers
still have far to go

By Protasius Ndaundapao

While there has been an improvement in conditions of Namibian workers since independence six years ago, much remains to be done, especially for domestic and farm workers.

Ranga Haikai, acting general secretary of the National Union of Namibian Workers, says inflation of about eight percent and an unemployment rate of 22 percent of the workforce have brought further hardships.

Labour Relations Act

He says the enactment of the Labour Relations Act in 1992 and the setting-up of district labour courts has been positive. But the working and living conditions of domestic and farm workers are poor. They are not in line with conditions prescribed by the LRA,” says Haikai.

He calls on employers to ensure that the conditions of their workers conform to the Act. Haikai says there are only 25 labour inspectors and more must be appointed to see that conditions are improved.

The attitude of management in middle to big companies in the urban areas has improved but in small companies and the rural areas change is needed.

Doufi Namalumbo, a gender researcher at the Legal Assistance Centre in Windhoek, says “Neither workers nor employers are doing enough to improve the labour situation.”

She says before independence the situation was better because the workers were more militant. But since then everybody has “folded their hands and hoped everything would fall into place.”

Namalumbo says the situation of domestic workers most of whom are illiterate, is poor because their union is weak and is not yet recognised by employers. There is a need to revive a commission of inquiry into the socioeconomic conditions of the domestic and farm workers. She says the commission was set up in 1995, but stopped work recently due to cash shortages.

Namibian Employers Federation president Mike Hill says “We understand as employers that workers want more money, but we also understand that we have to generate that money. If we want to live in a high-income country, then all of us have to work towards that.”

Training courses

He says the federation is running training courses for its members to help them understand labour practices.

Acting labour commissioner Tumlukke Nqushuwa says there are still some companies that pay their employees starvation wages. Others unfairly dismiss workers.

But she adds, the drop in the number of strikes in the past year is an indication that conditions of workers are improving. — Africa Information Africa
'Chaos' as strike halts mines in Namibia

WINDHOEK - About 1300 strikers at three Namibian copper mines have brought work to a halt over a pay dispute.

Tsumeb Corporation Limited spokesman Dermot Whyte said yesterday that union employees had taken over control of all essential services for mining operations at Otshabe, Tsumeb and Kombat copper mines on Thursday.

"It is a state of chaos," he said.

The company obtained a court interdict on Thursday night to prevent miners from entering operational areas.

Police were struggling yesterday to enforce the interdict as striking Mineworkers Union of Namibia members were still on the premises.

Mr Whyte described the situation as serious.

"Basically Tsumeb is in jeopardy. That is the bottom line," he said.

The strike started after a deadlock in protracted wage negotiations.

The union is demanding a 12.5 percent pay rise, while the company has offered an average of 8.9 percent.

"TCL has shown restraint from the word go by complying rigorously with all conditions of the Labour Act," Mr Whyte said.

The MUN was not available for comment.

Sapa
WINDHOEK — An explosion on Saturday afternoon rocked the smelter plant at the Tsumeb copper mine in northern Namibia. Picketing strikers were said to be preventing officials from determining whether anyone was injured in the explosion, or the extent of the damage.

"We do not know the extent of the damage ... we do not know if anyone has been injured. There were people down at the smelter," Tsumeb Corporation spokesman Dermot Whyte told Namibian Broadcasting Corporation television on Saturday night.

About 1,300 Mineworkers' Union of Namibia members at three TCL copper and lead mines downed tools at midday on Thursday. The company employs about 2,500 workers.

The strike is in support of a 13.5% wage demand. TCL, owned by Gold Fields Namibia, offered average increases of 8.5%.

On Thursday night the company obtained a Labour Court interdict preventing strikers from entering mine property.

Seven people were reportedly injured in clashes with police trying to enforce the court order. The MUN could not be reached for comment.

Whyte said the smelter plant had been down for 48 hours and the next 12 hours would be critical. — Sapa.
Tsumeb smelter plant blasted during strike

AN EXPLOSION on Saturday afternoon rocked the smelter plant at the Tsumeb copper mine in northern Namibia, but picketing strikers were said to be preventing officials from determining the extent of the damage, and if there were any injuries, a spokesman for Tsumeb Corporation Ltd said.

About 1,500 Mineworkers' Union of Namibia members at three TCL copper and lead mines downed tools at midnight on Thursday.

Strikers are demanding a 13.5% wage increase, but TCL, owned by Gold Fields Namibia, is offering average increases of 8.3%. The union could not be reached for comment. The spokesman said the smelter plant had been down for 48 hours and the next 24 hours would be critical for the mine.  

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Strikes mar good year for Tsumeb Corp

David McKay

BASE metals producer Gold Fields Namibia's Tsumeb Corporation is facing revenue losses of about N$7.5m so far due to a strike which entered its eighth day yesterday.

Corporation chairman Clive Wolfe-Coote said 450 tons of copper production had been lost during the week, and workers had been on strike.

The strike, the result of a deadlock in wage talks, has affected the corporation's three operating mines at Tsumeb, Otjize and Kombat.

The copper, worth N$4m, accounts for 66% of Gold Fields Namibia's total revenue. The company also produces lead and a small amount of silver.

A similar tonnage of lead production has also been lost, worth around N$1.7m, as the strike disabled all but the most essential services at the mines.

Gold Fields had served a court order on the Mineworkers Union of Namibia but no breakthrough had been achieved so far, said Wolfe-Coote.

Referring to an explosion which rocked the copper smelter at Tsumeb last Saturday, the company said it did not expect the smelter to operate for "a considerable period of time" due to "extensive damage".

Wolfe-Coote said it was too early to estimate the cost of the damage as management had not been able to get access to the plant. He said, however, that flooding at Kombat and Otjize, due to a temporary halting of pumping services, was now under control.

But at Tsumeb, water rapidly flooding the mine's underground works threatened to pollute the water table in the northern area of Namibia.

Although it was impossible to gauge the impact of the strike on the corporation's bottom line, Wolfe-Coote said it had marred an outstanding year so far.

Gold Fields Namibia reported a surging taxed profit of R12m (R111 000) in the June quarter. It was also lauded as a strong contributor to parent company Gold Fields of SA's results in the year to June...
Strikers surrender
Tsumeb smelters

WINDHOEK — Gold Fields Namibia said yesterday it would resume mediation efforts with striking workers after regaining control on Wednesday of mine and smelter operations at Tsumeb.

A spokesman said that about 1,000 non-striking workers out of a workforce of 2,500 had returned at the site in northern Namibia following the strikers' decision to surrender control.

The group's Tsumeb Corp Ltd (TCL) mines in northern Namibia and its copper smelter have been shut down since August 23 when Mineworkers' Union of Namibia members took control of key areas. The lead smelter, which was shut down before the strike, has also been out of commission.

The strike is costing TCL about 80 tons a day in lost copper production and a similar amount in lost lead. The company is now assessing damage to property.

The copper smelter was extensively damaged and is likely to take six to eight weeks to repair. The lead smelter did not appear to be damaged but will take two to three weeks to restart. TCL produced just under 30,000 tons of blister copper last year and 27,000 tons of lead. — Reuters.
Namibian union to address labour court

The 26-day-old strike at Gold Fields Namibia’s Tsumeb operations continues in the labour court in Windhoek as both parties make applications to it. Justice Annel Silungwe, the court's president, ruled yesterday that the court would first hear the Mineworkers' Union of Namibia's response to last month's court order declaring the strike illegal.

— Sapa, Windhoek
Mine security staff and dogs ‘trapped without food’

Up to 30 security workers and their dogs at Namibian copper mine Taumeb Corporation Ltd were trapped by armed strikers and had been without food since Monday, mine manager Tony de Beer said yesterday.

He said that the 25 to 30 security workers had been blockaded by armed members of the Mineworkers' Union of Namibia at the Taumeb site since last Thursday.

"They have been there since Thursday and the food ran out on Monday about 5pm," De Beer said by telephone from his house, which has been blockaded by strikers since Tuesday morning.

The union had said that the workers could leave, but only if they submitted a list of their names, and strikers had not allowed food into the mine, De Beer said.

He said that he ventured out in his car yesterday to meet the mayor of Taumeb and discuss the crisis. Six or seven armed strikers were outside his house - his wife and youngest son were with him - and he would not be venturing out again.

"I presume they (the strikers) won't do anything, but you can't trust them," he said.

Mediation efforts to end the bitter six-week dispute broke down last Thursday and the strike took a violent twist at the weekend when armed strikers gained control of the group's three mines - Opuhase, Kombat and Taumeb.

Namibian government ministers visited Kombat and Taumeb yesterday to ask the strikers to put down their weapons. These included shotguns, pangas, knob-knarrers and whips. They visited Opuhase on Tuesday.

But the plea of the mines minister and the labour minister did not succeed. A spokesman for mine owner Gold Fields of Namibia said the situation had not changed and armed strikers were still in control of all three mines.

"Nothing has changed," he said, describing the atmosphere as "terribly, terribly tense."

A hospital, occupied by the strikers on Monday and later closed down, has reopened.

The strike over pay began with Taumeb offering a 7% raise and the union wanting 14.5%. A new pay offer, aimed at settling the dispute or, at least, restarting mediation is to be put forward by Friday.

Taumeb mines and smelters have been shut down since August 23 when mine union members began their strike.

The strike is costing Taumeb about 80 tons a day in lost copper production and a similar amount in lost lead.

Taumeb produced just less than 30,000 tons of blister copper last year and 27,000 tons of lead. Most of the lead was produced from brought-in material; while copper output was from Taumeb mines. - Reuters
Exploitation still reigns down on the farm

Union report shows Hamilton farm workers have yet to reap benefits of independence
Unnecessary suffering for Namibia's farm workers

Namibian farm workers are paid miserable salaries, they are unlawfully fired without compensation, housed in shacks and generally exploited, according to the findings of a survey by the Namibia Farm Workers' Union (Nafwu).

The survey found that the majority of farm workers in Namibia were unaware of the Labour Act – which protects their rights and interests – and as a result have suffered unnecessarily with regard to working conditions and salaries. As a result of the findings, Nafwu is calling for a minimum wage for farm workers and the formation of a permanent body to consider their terms and investigate their conditions.

It has recommended that a permanent wage commission be established to look into the situation and the remuneration of all farm workers in the country.

“The commission should consist of an equal number of representatives from farm workers and employers, with a government representative in the chair,” said Nafwu.

The union has also called on the commission to review the situation on an annual basis in all 13 regions of the country, taking into account the inflation rate and the cost of living.

Nafwu condemned the low salaries of farm workers and described it as “exploitation”, saying this should have changed in independent Namibia.

The union said it was clear from the survey that the majority of farm workers were getting very low wages, which could no longer be tolerated.

According to the recent Nafwu survey, the average cash wage paid to permanent farm workers is N$116.12 Namibian dollars (R116.12) per month, with an additional ration pack to the value of N$239.37 Namibian dollars (R239.37) – which brings the total to N$345.49 Namibian dollars (R345.49) per month.

The average cash wage paid to temporary farm workers in mid-1995 was N$130 Namibian dollars (R130) per month, while some 25 percent of farm workers earned one hundred fifty Namibian dollars (R150) or less per month.

About three percent of farm workers earned less than 50 Namibian dollars (R50) per month in cash.

“I am not paid for overtime work I leave my children alone at home and I am concerned about their safety. My family members are not allowed to visit me,” says a woman farm worker at Dobbis, East of Windhoek.

A farm worker in the Hardap region complains “I am employed at the plot I have a wife, and children of school-going age.”

“I am paid 400 Namibian dollars (R400) per month I worked for four years and need an increase, but the farmer does not agree.”

The union also found that farm workers were excluded from the government’s programmes to provide better housing for all Namibians.

It recommended that government and employers deal with the unacceptable housing situation on farms.

“All shacks and other impoverished dwellings should be systematically phased out within the next five years.”

“The government should encourage employers to build decent houses by the provision of tax incentives and low-interest housing loans,” Nafwu recommended.

On matters related to health and safety, the survey showed about 5.5 percent of farm workers are not provided with protective clothing like overalls and boots.

Nafwu therefore urged the Ministry of Labour to implement the health and safety provision of the Labour Act without further delay.

“This will force employers to abide by the minimum health and safety requirements,” said a farm worker at Grootefontein.

A number of farm workers are not registered with the Social Security Commission (SSC), and this has denied them basic rights such as sick leave, maternity leave and death benefits.

Namibia’s SSC, the first ever in Africa, requires all employers to register their companies and their employees with the SSC Employees, through their employers, then pay an amount of money to the SSC every month.

This money helps employees when they are sick or on maternity leave.

Nafwu says the SSC should pay special attention to the registration of employers and workers in the agricultural sector. Farm owners have violated the country’s constitution by employing children on their farms, according to Nafwu.

There are about 500 children under the age of 15 working on farms – which is against both the Labour Act and the constitution.

Here Nafwu recommends that government should impose heavy penalties.

Unfair dismissals by the farm owners is also cited as a problem.

“You do not get anything if you are dismissed,” complains one Grootefontein farm worker.

“You will be asked to sign a document, without knowing what it is. Then you will be chased away with no pay.”

The Commission of Inquiry into labour-related matters affecting agricultural employers and domestic workers was appointed by President Sam Nujoma last year.

Chairman of the Commission and deputy speaker of the National Assembly, Dr Zaphana Kameta, who received Nafwu survey report, said he would hand the report over to Nujoma on May 1.
Namibian mine unable to pay workers salaries

Christof Maletsky

WINDHOEK — Tsumeb Corporation is in such dire financial straits that it does not have the means to pay its employees' salaries at the end of this month, Hugh Robinson, MD of Tsumeb's owners, Gold Fields Namibia, says in an affidavit supporting an application to have the corporation wound up.

Robinson said that before last week's closure Tsumeb Corporation's management was planning extensive retrenchments to try to turn the company around.

Management was concerned that a failure to pay wages could lead to a repeat of the destructive 1996 strike and the damaging of Tsumeb's assets. This was one of the reasons why the application for Tsumeb's winding up had to be heard as a matter of urgency, Robinson said.

About 2,000 employees are affected at Tsumeb's three mines, representing about 25% of Namibia's mining workforce.

In an affidavit filed with the High Court application, Robinson said Tsumeb had liabilities of R94.4m, which could balloon to R138.4m if the R44m cost of environmental rehabilitation obligations were added.

This compared to total assets worth R107m at "the most optimistic assessment." The company's monthly wage bill is more than R7m.

The government does not want the workers retrenched and there is speculation that it may assist in keeping the company running. Mother company Gold Fields Namibia is also not seen as an immediate source of support.

According to Robinson's affidavit, Tsumeb owed R28.8m in loans at the end of last month of which R20m is owed to Gold Fields Namibia. About R37.8m is owed to other creditors.

Tsumeb has recorded a total operating loss of R99.4m since 1994. Monthly operating losses average R5m.

The application has been postponed to next Wednesday to give the Namibian government and the Mineworkers' Union of Namibia time to file notices that they will oppose the intended winding up.
Salary negotiations deadlocked

WINDHOEK — The two main bargaining unions representing 55,000 public servants in Namibia have reached deadlock with government in annual salary negotiations.

The Namibia Public Workers' Union and the Namibia National Teachers' Union said the matter had been referred to the labour commissioner's office. The unions dropped their demand to 12% for low-paid staff and 8% for relatively highly paid public servants, but said government was offering 8% for low-paid staff and 3% for the others.

ED 23 14 78
REPORTS Sapa-AFP, Own Correspondent
Cloud over Tsumeb as miners are sent home

Tsumeb — Residents of this small Namibian mining town face an uncertain future since Gold Fields of Namibia halted operations at three mines last month and sent 2,000 workers home until further notice.

Mining has been the economic backbone of this northern town since the turn of the century. Residents say the closure of Gold Fields' Tsumeb Corporation will force an exodus of people and close businesses.

"What are we going to do here if the mine closes down? There really is nothing else," said Faula, whose husband is among the miners sent home.

"We knew that since the 1996 strike things weren't that well at the mine, but none of us expected this," she added, referring to a crippling six-week strike over pay and working conditions which cost Tsumeb about N$90 million (about $80 million).

The losses were never completely recouped and the company is currently N$9 million in debt.

Blaming weak copper prices, Gold Fields of Namibia halted production at Tsumeb's Kombat, Kuhmb Springs and Otjikoto mines and its lead smelter in Tsumeb.

The Namibia High Court last week placed Tsumeb Corporation under provisional liquidation and ordered it to indicate by May 29 why it should not be placed under final liquidation.

Since production was halted, the Mineworkers' Union of Namibia, the Namibian government and Gold Fields have been negotiating to try to avoid the complete shutdown of the mines. Activity in the town has shifted visibly into lower gear, one shopkeeper said.

"People are scared to spend money now because they don't know where their next pay cheque will come from," he said, despite the announcement by Gold Fields of Namibia that Gold Fields of South Africa would pay the April salaries for Tsumeb's 2,000 employees.

"How do we know this is really true? They don't care about us; they just come and tell us to stop work. How am I going to feed my children?" asked Titus, a miner.

Tsumeb residents fear the town could become "a second Kolmanskop," a former diamond mining town now buried under sand dunes.

Tsumeb will not be the only town to lose out if the mines are closed. Major sea and land transport businesses, such as Namport and the TransNamib railroad, which carry ore to the smelter at Tsumeb, have indicated they may be forced to retrench if Tsumeb closes.

Rossing Uranium, of Rio Tinto mining, receives all of its pyrite from Tsumeb and has announced it will have to go to the world market and import at far higher prices.

Namibia's labour market cannot afford Tsumeb's closure. Either. Sixty percent of the southern African country's 1.6 million people are already jobless or underemployed.

The closure of Tsumeb would mean a quarter of the workforce in the mining sector would be without work.

Independent analysts said the closure would affect the country's 1997-98 budget, currently under discussion in parliament.

National coffers stand to lose valuable foreign earnings despite the current low copper prices on the world market.

In 1997, income from the mining of copper, lead, pyrite, sulphur and cadmium at Tsumeb's mines came to a total of US$45.5 million.

Reuters
Sick, Examiners To Sue Companies

A company spokesman said the decision to withdraw from a federal appeals court on a workers' compensation issue, in response to a legal action against the company, would not affect the company's operations. The spokesman said the company had taken steps to reduce the impact of the lawsuit on its operations.

The company said it was reviewing its legal options and would continue to monitor the situation. The spokesman added that the company was committed to ensuring the safety and well-being of its workers.
Workers to take legal action against mine

WINDHOEK – Last month’s closure of Tsumeb Corporation Limited (TCL) mines and smelter will not deter workers who have suffered ill-health linked to hazardous working conditions from taking legal action against the company through its mother companies, Gold Fields and Namibia and Gold Fields South Africa.

According to a report in yesterday’s Namibian, a legal aid fund had already been established by concerned people in Britain and Germany.

Dr Reinhard Zaure, a consultant on radiation and occupational diseases, maintained that TCL’s mining operations had resulted in damage to workers’ health as well as destruction of the environment.

He claimed that the health of about 70 percent of TCL’s employees had been adversely affected by conditions on the mines.

Zaure also alleged that the end of operations at Tsumeb could lead to an environmental crisis with heavy and toxic metals polluting the town’s underground water.

A pilot study had shown that 23 of the 33 drillers employed at TCL suffered from lung disease, occupational-induced hypertension and, in the worst cases, tuberculosis.

Zaure said: “Since Namibia is receiving support from European activists, there is tangible hope that the compensation cases can be pursued,” Zaure said.

President Sam Nujoma said although the closures were expected, they were a big blow to the country’s economy which was faced with reducing unemployment – Sapa.
Ill miners prepare lawsuit against Tsumeb

Workers who stood to lose their jobs as Namibia's second largest mining group went on a wildcat strike yesterday after the company announced it would not manufacture any of them ill, a consultant said here yesterday. The jobs of about 2,000 miners at Tsumeb Corporation are in the balance. About 70 percent of the workers affected ill-health linked to hazardous working conditions at Tsumeb, said Richard Zaire, a radiation and occupational disease consultant. The workers will sue Tsumeb for damages through its parent companies, Gold Fields of Namibia and Gold Fields of South Africa. — AFP Windhoek.
Tsumeb mineworkers get retrenchment deal

Employees of the provisionally liquidated Tsumeb Corporation Limited will receive termination pay, according to a deal announced on Tuesday between the Mineworkers' Union of Namibia and Tsumeb's majority shareholder, Gold Field, SA.

In terms of the deal, the workers will be paid one month's basic wages. They will also receive their leave pay and proportional hospital benefits for each year of service, plus an additional week's wages for each of the first four years of service, according to the report. The company's workers' jobs will be given priority in being offered new employment with the same pay as at the date of the provisional liquidation if they are the company's in the Gold Field's group decides to resume operations at Tsumeb this year.

The spokesman for the appointed liquidators, Des Malherbe, said that the liquidators would ask the Windhoek High Court today to postpone the possible final liquidation of Tsumeb for another three months.

Meanwhile, he said that the liquidators are also trying to sell certain mining assets of Tsumeb's in an effort to generate cash. The liquidators need about N$20 million to cover the company's administrative costs and to preserve the mines, as well as to pay a monthly N$31m to Nel's electric power company, which is required to ensure that water is continuously pumped from Tsumeb, Kombat and Otjikoto mines to keep the mines from flooding - Sapa
Mine offers staff early retirement packages

Christof Maletsky

WINDHOEK — Haunted by recession, Rosing Uranium is offering voluntary early retirement packages to employees in a bid to shed 200 of them in 15 months.

Corporate affairs officer Hella Froese said "voluntary departure packages" were also in the pipeline if the early retirement offer failed to speed up the cutbacks.

Sources at the mine said Rosing, 60km east of Swakopmund, was struggling after being stuck in a fairly long-term trough.

Froese said forced retrenchments were not envisaged, but the consistently depressed uranium market had made it necessary to bring production costs down. Rosing did not envisage a return to full production until 2002.

The voluntary retirement packages offer employees the option of retiring at 60 or 62. Letters outlining retirement options have been sent to employees and allow for a three-month decision period.

Froese emphasised there would be no forced retirements. A brief sent out by Rosing in August also addressed rumours circulating among the labour force that a 1991-style mass retrenchment operation was on the way.

Vice-information and publicity officer for the Mineworkers' Union of Namibia at Rosing, Rudolph Isanek, said the brief had helped allay fears to some extent. But, he said, the union had not been fully included in formulating the measures thought necessary to cope with the uranium slump.

"We have been made aware over a long period of time that the company is facing problems, but we have not been involved in the discussion of strategies."

While only "the old and sick" were being courted to leave the company, the rest of the labour force could be targeted at a later stage, he said. Isanek said in its last significant round of shedding jobs in 1991, Rosing retrenched about 800 workers.

Froese said Rosing was aware that employees and the local community feared future retrenchments. However, every effort was being made to allay these fears. Rosing was "not struggling to stay afloat", but it was "having to work hard to stay in business."

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