



# MiningWatch Canada

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# Newsletter

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The widow of Raghu Jhodia, who died in the police firing.

### ***Tribal People in India Confront Alcan Investment: Three Die***

On December 16, 2000, conflict over the development of a bauxite mine and alumina plant in the Kashipur region of Orissa in India turned violent with the killing of three innocent tribal people. During a meeting of villagers opposed to the mine, armed police entered Maikanch village and opened fire. Abhilas Jhodia (25 years of age), Raghu Jodhis (18) and Jamudhar Jhodia (43) died, and 8 others sustained serious injury.

The tribal people of the area have been worried about displacement and loss of livelihood ever since the entry of multinational companies exploring for bauxite and intending

to process alumina for export. At the forefront is Utkal Alumina – 35% owned by Canada's Alcan. The other major partner is Norsk Hydro. Alcan anticipates that a decision to go ahead with the project will be made in mid 2001.

Alcan has responded to MiningWatch Canada by saying that "This conflict must be resolved in a manner which convinces us that the local community overwhelmingly accepts [the project], on the basis of a free and informed choice...the values we hold dear on environmental stewardship and sustainable development will continue to guide us."

### ***Annual General Meeting in Sudbury Sets Plans for the Future***

MiningWatch Canada held its Annual General Meeting (only our second) in Sudbury, March 2<sup>nd</sup> and 3<sup>rd</sup>.

The meeting started with a forum to discuss the recently-ended Falconbridge strike, involving representatives of CAW/Mine Mill Local 598 as well as various community organizations. Key elements of the discussion included the

effects of Falconbridge's acquisition by Noranda/Brascan, and the use of ore from the Raglan mine to help scab the strike and keep the smelter running. The global reach of the company contrasted with the strong community support that enabled the union to survive the strike.

The following day, after a short and efficient business

meeting, about three dozen people (including MiningWatch members and directors) took part in workshops on Mining and Health. The speakers at the morning session were Chief Earl Commanda of the Serpent River First Nation and Dr. David Leadbeater of the Elliot Lake Tracking Study, on the theme "For Better or Worse: Mining, Communities and the Multinationals". They talked about their experience in mining communities and the communities' relationships to the multinationals which shadow and shape them, as well as relationships within the community itself, exploring themes of power, powerlessness and power-sharing.

The afternoon's session, entitled "Watchful Eyes and Willing Hands: Mine Monitoring on the Front Lines" in-

cluded presentations by the Steelworkers' Nancy Hutchinson on the "Internal Responsibility System" that is being implemented in Ontario mines, and her hopes that it will not fail, as a similar system did at Westray; by Sarah Johnnie and Vera Sterriah on community monitoring in Ross River and Little Salmon Carmacks, Yukon; and by Lorilee McGregor of the EAGLE project on working with First Nations around the Great Lakes on monitoring and fish consumption awareness.

Discussion on these topics was frank and energetic, leaving participants feeling better informed and better prepared to continue their work in their communities.

## Settlement Reached in Sudbury Falconbridge Strike

(From an article by the Sudbury Coalition for Social Justice)

On Tuesday, February 20<sup>th</sup>, the 1250 striking mine, mill and smelter workers at Falconbridge Nickel Mines in Sudbury, Ontario ratified an agreement reached between the company and CAW/Mine Mill Local 598 the previous day. Falconbridge's Sudbury operations produce 4% of the world supply of nickel along with copper, cobalt and platinum group metals.

The agreement ends a strike that began last August 1, just weeks after Brascan took over majority ownership of Falconbridge's parent company, Noranda. The strike continued through the use of scabs ("replacement workers"), Accu-Fax goons, injunctions and the arrest of about ten Mine Mill members and supporters. On January 28<sup>th</sup>, more

than a thousand Mine Millers and their supporters were met with an OPP riot squad, pepper spray, tear gas and attack dogs at the gates of the Falconbridge smelter. The strike ended with an injunction that banned all but token picketing, a threat by the company to undertake full-scale production with the use of hundreds of scabs imported from across Canada, and rumours in the financial press about the potential takeover by Brascan of Inco, Falconbridge's cross-town rival, which controls more than a quarter of the world nickel supply.

The end of the strike does not mean the end of the struggle of the Falconbridge workers, merely that it is assuming a new form as the workers deal with the implications of the new contract as it is implemented.

## Falconbridge Strike Analysis — a Union Perspective

(Based on a CAW Mine Mill Local 598 newsletter article written by Brian Macdonald and Norm Chammus.)

Despite assurances from the company last spring that they had no intention of undermining employee rights in the Collective Agreement, on May 2nd, 2000, an exchange of demands was initiated and the Company presented a major document, complete with a lengthy list of concessions amounting to a complete re-write of the existing collective agreement.

Included in the list of "take-aways" was the elimination of five full-time union officials' positions, changing the stewardship structure, a total re-writing of the collective agreement regarding seniority rights, lay-off rights, recall rights, contracting out, vacation scheduling, job transfers and health and safety. As well, the document also called for the dismantling of all joint committees that were established to deal with these issues, including skilled trades, ap-

prenticeships, training and the Joint Job Evaluation Committee.

The majority of talks taking place thereafter, and until the strike began, were wasted in an attempt to simply return to a reasonable starting point, as promised by the Company at the start of talks in the spring of 2000. During this time, Falconbridge management was representing itself as the injured party, claiming that the only true stumbling block was union inflexibility concerning union representation, while all the time attempting to hide all the proposed "take-aways" within the body of some 20 articles and eight letters attached to the contract proposal.

It seems clear that while the Company management was advocating labour peace to its members and the community, a strike was aggressively being planned.

Early last spring, the Company erected fences surrounding the property, and positioned



Sudbury journalist Mick Lowe is "escorted" away from Falconbridge property by "Accu-Fax" paramilitaries (from the video "One Day Longer" by Stuart Cryer)

a new security office at the main entrance. Preferred supplier lists were compiled. Job postings for replacement workers were appearing on the Internet and former supervisory staff, long retired, were being contacted to provide manpower for critical tasks. It was also during this time, long before the August 1st deadline, that the now infamous strike-breaking security firm, Accu-Fax, was hired, the Company paying an estimated \$400,000 just to ensure the contract. It was also at this time that both senior Sudbury Operations managers, Brent Chertow and Allen Hayward, began holding discussions with employees to create an atmosphere of uncertainty and doubt of viability in the Company's future as a nickel supplier. These managers were heard to comment at these meetings that a potential strike would last at least six months.

When the strike finally arrived, it was then the Company claimed the problem to be union-initiated and revolved around a perceived threat to its executive and power.

The problem, in the Union's view, was never in the idea of trimming union representation to better reflect the chang-

ing work force at Falconbridge or the restructuring of the stewardship body to better represent this work force. The concern was, and remains, the fair treatment of the worker through such hard fought-for inclusions such as safety and health committees, etc., and fair representation on these committees as well as seniority rights and job protection.

The detailed Union representation at risk is a result of long years and substantial effort to use the enormous collective knowledge of the Union and its members.

The strike team appointed by Falconbridge Limited has a two-step plan in the Union's view. Playing the Ontario six-month legislation to the extreme, they hope to break the resolve of the union members by offering them scab jobs, then rely on a government-supervised vote at the end of the six months, at a time when their strike team feels the Union members are ready. The membership has held up well considering the awful circumstances they have had to deal with.

Falconbridge has started to feel the results of its short-cuts during the strike. Now they are feeling the financial and operational impacts.

### ***Kenyan Villagers Take Tiomin to Court***

The fight to stop titanium mining on the Kenyan coast is gaining some ground in the courts. On February 27, the High Court sitting in Mombasa, Kenya, issued a temporary injunction stopping the titanium mining firm – Tiomin Resources Inc. – from mining or prospecting for the mineral at Msambweni.

The company has now made a formal application to have the injunction lifted. The injunction suspending the titanium mining was based on an application by 205 Maumba and Nguluku village farmers set to be displaced by the Canadian firm. The farmers said that if the project were

allowed to proceed, their own health, the local topography and social amenities would be affected. They said that the foreign firm was awarded prospecting rights by the government without their knowledge.

Judge Hayanga noted that there were a lot of doubts on valuation of the farmers property, and added that the environmental issues raised were of major public concern. At the same time, the judge pointed out that the ultimate ruling might turn out to be precedent setting one, useful in the determining of similar cases in future.

### ***Royal Oak's Nasty Legacies: Colomac and Giant Mine Updates***

**The Colomac gold mine**, on Dogrib territory, was shut down in 1997, then abandoned by Royal Oak and transferred to the Federal government on December 13, 1999. Under its Water Licence, the company had posted a \$1.5 million security deposit. At present it is on "care & maintenance" and awaiting clean-up. The mine tailings have a very high cyanide and ammonia content and a serious acid mine drainage problem, which getting worse, as well as other contaminants and waste on site. The eventual clean-up may cost more than \$70 million.

The mine is located at Indian Lake which provides drinking water for 200 residents.

The Dogribs say that the tailings pond will overflow in May, unless immediate drastic measures are taken. In early March a public hearing was held to cancel the Royal Oak water licence so that a new one can be issued and clean-up can begin. The Dogribs feel this tortuous legislative process may delay clean-up until it is too late.

In November, 1999, the Department of Indian Affairs

and Northern Development (DIAND) awarded a one-year, \$2-million contract to a consortium of aboriginal businesses from DetonCho Corporation, the Dogrib Rae Band and the North Slave Metis Alliance to undertake final reclamation activities at the Colomac Mine. The consortium conducted studies into contamination and took responsibility for on-going environmental monitoring and maintenance of the site.

After the contract was awarded, Royal Oak was finally charged under the Water Act and the Fisheries Act for the pollution it caused — much too late, since the company was already in receivership.

Now, the water licence has not been changed, the money needed to clean-up the site is not forthcoming, and the Dogribs are faced with a potential catastrophe if the tailings pond overflows. Says Dogrib leader Ted Blondin: "I think there is a fiduciary responsibility that the federal government has to looking after the Dogrib interests, and these are the arguments that we will use towards ensuring that the quality of water and the work that has to be done for the

cleanup is done.”

### Giant Mine

DIAND recently made a presentation to Yellowknife City Council about the arsenic trioxide mess at Giant. It is estimated that it will cost more than \$275 million to clean up the 270,000 tons of arsenic trioxide, and millions more to clean the surface contamination (at the north-west tailings pond, Back Bay and elsewhere). The sites are all leaking contaminants.

An appropriate method to clean up the arsenic has yet to be found, although solutions from bioremediation (lichen and ferns) to vitrification are being considered. The federal government has also attempted to lower the costs of clean-up by selling contaminated land to the City for a marina, and by raising the allowable arsenic levels based on “background levels of arsenic of 150 ppm.”

Although the DIAND regional office requested \$8.8 million towards cleanup of the two sites last year, they only



Arsenic stored in drums at Giant mine site (photo courtesy Kevin O'Reilly)

received \$3 million. In December, they got another \$1.3 million.

## Federal Government Creating Inventory of Contaminated Sites

The federal Treasury Board has established the Contaminated Site Management Framework. It has two parts:

1. A policy for an inventory of contaminated sites and solid waste landfills. The policy was completed and posted on the Treasury Board website in June 2000. It is effective as of April 1, 2000.
2. A general policy in five to six parts for the management of contaminated sites under federal jurisdiction. This is currently underway.

The policies are only about how the federal government will deal with its own sites, not with those that are privately or provincially owned. The inventory has been necessitated by the insistence of the Auditor-General in previous reports that the government will move to Full Accrual Accounting. This means they will have to show liabilities for contaminated sites on their books as liabilities starting next year. In order to do this, they need to know where the sites are, evaluate the hazards, and estimate the costs of clean-up.

The Auditor-General estimates there are 5000 sites that will cost about \$2 billion to remediate. Many of these are abandoned mines. The Ministry of Finance has made a special allocation of \$30 million over two years to undertake the inventory and the policy development required. It will be up to each federal department to undertake the inventory within

their department, estimate the costs of remediation, and enter this information in the database. By the end of this year, that data will be publicly accessible on the web. It is expected that the database will be continually up-dated.

Physical and chemical site assessment will be done of all sites. This is managed by Treasury Board.

The clean-up standard Treasury Board is using to estimate cost is based on remediation to safe standards for the function for which the site is now, or has most recently, been used. In many cases, this will be industrial, although the most negative impacts will be stopped.

The inventory will be limited to land owned by the federal government. However, the Financial Administration Act limits the extent of this. Crown lands for example, are considered to be “lands for which no title is raised”, and Crown Corporations are exempt. This means that the Department of Indian and Northern Affairs is only co-operating in the study on a voluntary basis. There will be no accounting from Atomic Energy of Canada Limited, since they are a Crown corporation. Most aboriginal lands are also not included, since they don't belong to the Crown. Where land has been sold by the federal government and later found to be contaminated, the inventory will consider that liability has ceased, since it was sold “as is, where is, and when is”.

## Communities Organise Against Ocean Dumping

A regional conference on submarine tailings disposal will be held in Manado, North Sulawesi in Indonesia between April 23-30, 2001. Submarine tailings disposal is the

disposal of mine-mill waste or tailings into the sea through a submerged pipe, thus by-passing the international ban on ocean dumping which is limited to dumping from boats.



Participants will come from Pacific countries where submarine tailings disposal is increasingly being practiced and promoted by the mining industry — Indonesia, the Philippines, Papua New Guinea, Fiji, and New Caledonia — as well as from countries where these mining companies are based — England, the U.S., Canada, and Australia. Participants will include members of non-governmental organisations, affected communities, academics, scientists, and government officials. North Sulawesi is the home of gold mining projects where submarine tailings disposal is being practiced (Newmont's Minahasa Raya) or proposed (Aurora Gold's Mireas Sopotan Mining). Conference participants will visit these mine sites.

The Pacific region has become a focus for companies advocating submarine tailings disposal. The countries in this

region, along the so-called "rim of fire," are rich in minerals. Deposits are commonly found on the many islands that characterize the region but these islands have little or no "disposable" land for massive waste storage. As well, deposits are frequently found at the tops of mountains where waste storage is also a problem. Given the proximity of the sea to many deposits in this region, submarine tailings disposal offers companies a relatively convenient and cost-effective alternative to storage on land.

Participants to the conference will learn about legislation in the U.S. and Canada that effectively bans submarine tailings disposal in these countries. They will also learn about monitoring techniques and about potential health risks associated with submarine tailings disposal from an eco-systems and health perspective.

### ***Protestors Trash Manhattan Minerals Offices and Camp in Tambogrande, Peru***

On February 27 and 28, residents and farmers attacked the office and mining camp of Manhattan Sechura (a subsidiary of Manhattan Minerals Corp. of Vancouver) in the remote Peruvian village of Tambogrande. They also attacked a camp belonging to Britton Brothers, a sub-contractor of Manhattan that undertakes drilling in the area and destroyed it, burning some drilling machines.

Manhattan has been trying to establish a gold-silver-copper-zinc mine in the village of Tambogrande, a project that would necessitate the relocation of much of the town as well as threatening the water supply that the surrounding farms depend on for irrigation.

Graham Clow, President and CEO of Manhattan, had previously told MiningWatch Canada that the company would withdraw if the people definitely did not want mining to proceed. Meanwhile, Manhattan spokesperson Peter Te-

gart has been quoted saying that the company "has a very advanced program of community consultation," that it has "undertaken public consultation before exploring," and that

The leaders of the Front in Defence of Tambogrande and the San Lorenzo Valley, Francisco Ojeda and Nicolas Sandoval, are worried about what might occur in the future. They are asking that a dialogue be established with the government to demand the definite withdrawal of mining from Tambogrande. According to the Front, Manhattan can no longer argue that the opposition to the mining project is the work of a few malcontents and not representative of the population, since these demands are being made by the residents of Tambogrande, their organizations, their representative institutions, and their primary civil and ecclesiastical authorities.

### ***New Report Links Canadian Business to Paramilitary Violence in Colombia***

A new report uncovers links between Canadian investment in Colombia and the violence that has cost 35,000 lives since 1990, forced two million to flee their homes and led to the "disappearance" of about 3,000. The report, titled "Profiting from Repression: Canadian Investment in and Trade with Colombia," is written by Asad Ismi and published by "Americas Update" magazine.

"This timely report provides disturbing evidence of the apparent complicity of Canadian business in systematic human-rights violations by the Colombian Government and the right-wing paramilitary," said Professor David L. Raby, Chair, Canadian Initiatives for Peace with Justice in Colombia.

Canadian investment in Colombia is \$5 billion and is concentrated in the same economic sectors where state and paramilitary repression is the greatest — oil and gas, telecommunications, and mining. The report identifies Enbridge and TransCanada Pipelines as Canadian corporations that directly fostered state repression by providing military

equipment to the Colombian Army's 14th Brigade, which, according to Amnesty International, has an atrocious human rights record.

"Most Canadians are unaware that some of this country's largest corporations are profiting from the Colombian government's brutal repression of dissent and democracy," Ed Finn, General Editor for the Canadian Centre for Policy Alternatives noted. "Asad Ismi's shocking exposé of this corporate collaboration with Colombia's ruthless dictatorship is recommended reading for everyone concerned about social and economic justice."

As the report documents, the Government of Canada has greatly encouraged investment and trade links with Colombia, especially in the oil and telecommunications sectors. Ottawa considers Colombia "a very favourable climate for investment."

Canadian government agencies such as the Export Development Corporation, the Canadian International Development Agency and the Department of Foreign Affairs and

International Trade have all actively encouraged Canadian investment in Colombia.

“At a time when the US is intensifying its military aid to Colombia under the pretext of the “war on drugs,” it is ex-

tremely important that Canadians should understand what is really at stake in Colombia,” Raby noted.

For more information or to order copies of the report contact Asad Ismi at (416) 920-8331.

### ***New Book Soon from MPI: “Communities Confronting Mining & Globalisation”***

Australia’s Mineral Policy Institute (MPI) is coordinating the writing of a book “The Silver Bullet: Communities Confronting Mining and Globalisation” Pluto Press have said they will publish the book if they can guarantee 700 pre-sales.

The book is targeted to activists, but will also be of interest to academic readers. “The Silver Bullet” is an important contribution to the on-going strategising to force accountability of transnational mining companies and contest the form of globalisation. Written from the perspective of grassroots community and non-government organisation campaigns, the book includes contributions from union and community activists as well as academics, that will provide useful analysis and tools for activists around the world.

“The Silver Bullet” is an important opportunity to showcase MPI’s work with their partners in Indonesia, Philippines, Australia, US, Canada and West Papua).

In order to generate the necessary pre-sales MPI is asking people to commit to buying a copy of the book (or several).

If you are interested in pre-purchasing copies of this timely and strategic publication please fill in the form below and return to MPI by email ([geoffdj@ozemail.com.au](mailto:geoffdj@ozemail.com.au)) or fax (02 9386 1497).

The actual sales and invoicing will be arranged through Pluto Press when the book is eventually published about June 2001. The cost price of the book is likely to be about US \$30.

### ***Communications Update:***

Last issue, we mentioned the workshop *Gaining Ground: Women, Mining and the Environment* that was held at Lake LaBerge, Yukon, last September. Well, a booklet has been published out of that workshop, and it is available from the Yukon Conservation Society, Box 4163 Whitehorse, YT Y1A 3S9, tel. (867) 668-5678, fax (867) 668-6637, e-mail [yics@yics.yk.ca](mailto:yics@yics.yk.ca)

We also jointly released a new report, “*More Cyanide Uncertainties: Lessons from the Baia Mare, Romania Spill* –

*Water Quality and Politics,*” together with the U.S. Mineral Policy Center. The report, by renowned geochemical and hydrogeological expert Robert Moran, exposes shortcomings in industry and government disaster response, issues a call to action to prevent future cyanide disasters, and points to the same danger at many of today’s gold mines.

Visit [www.canada.miningwatch.ca](http://www.canada.miningwatch.ca) to catch up on the latest.

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### **Pre-order “The Silver Bullet: Communities Confronting Mining and Globalisation”**

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