
Concern over Demonstration by Workers of Tonkolili Iron Ore Project in Bumbuna and Pepel

Freetown, 8th July 2015. The Ministry of Mines and Mineral Resources is very concerned about the demonstration staged in Pepel and Bumbuna, respectively, by workers of former African Minerals Limited (AML) now working for Shandong Iron and Steel Group (SISG).

The Ministry wishes to inform the general public about the following:

AML ran into serious financial difficulties in late 2014, due to the global problems affecting the minerals sector, including the fall in iron ore prices. As strategic partner and holder of the principal asset that was being mined, Government worked with major stakeholders to find a suitable partner to take over the operations of the mines and prevent a potential shutdown, which would have had dire economic consequences.

Although several partners were approached, SISG, which already had a 25% stake in AML emerged as the only company willing to assume all the liabilities of AML, including the continued retention of the workforce, which was a pre-condition of Government.

Since they expressed interest in taking over the mines in September to date, SISG has continued to pay all employees their full monthly salaries, even though the mines had suspended operations and the employees were not working.

As SISG continues to put modalities in place to resume operations at the mines, a group of employees of former AML, now working for SISG, has requested the company to pay their end-of-service benefits, accrued under AML.

Following this, the Ministry of Mines and Mineral Resources, the Ministry of Labour and Social Security, the National Minerals Agency and the United Mine Workers Union engaged the workers to appreciate the importance to continue their jobs with SISG, while their benefits continue. However, a group of them insisted for their end-of-service benefits to be paid immediately, and their services discontinued; despite admonition given them on the consequences of being unemployed.

While Government notes the serious impact of their decision on these employees and their families, Government has no alternative but to engage SISG to work out the benefits of those employees who have expressed desire to end their services with the company.

Whilst the process was going on, those who had expressed the desire to discontinue their services resorted to actions breaching peace and security, such as blocking the roads leading to the operational sites, and intimidating and attacking those who opted to continue their services, thus creating panic in the community and the operational area.

As it is the responsibility of Government to provide and secure jobs for its people, the Ministry of Mines and Mineral Resources continues to dialogue with those employees who have decided to discontinue their services. In this regard the Ministry has convened a multi-stakeholder meeting

for 9th July 2015, involving representatives from the concerned workers, the Ministry of Labour, the Mines Workers Union, SISG, National Commission for Democracy and others, to discuss the above issues and finally agree on the way forward.

The general public will be kept informed.

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