

Chilean miners go out on indefinite strike

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Chilean mine workers are confronting a bitter fight in their two-week-old strike against Anglo-Australian mining giant BHP Billiton amidst a surge of COVID-19 infections and deaths.

Workers not only must deal with corporate giants who, buoyed by historic high copper prices, are scrambling to fully reactivate mining activity regardless of the human cost. They are also coming into conflict with the corporatist unions which during the pandemic again demonstrated their subservience and loyalty to management and the government by helping to keep the mining industry operational.

Copper has reached its highest price in a decade with the push to reopen the global economy. China is leading the demand for the metal as Washington is promising a US\$2 trillion infrastructure plan. Supply shortages have also played a role as reduced output due to COVID-19 has shrunk international inventories.

S&P forecasts that total copper consumption will be more than double today's total world production of 20 million tons. "Beyond 2020, we forecast that consumption will outstrip production over the period to 2024, resulting in a growing refined market deficit and increasing copper prices," S&P commodity analyst Thomas Rutland said in a news release.

"We estimate that by-mid decade this growth in green demand alone will match, and then quickly surpass, the incremental demand China generated during the 2000s," Goldman Sachs said in a report on copper released in April. "Ripple effects into non-green channels mean the 2020s are expected to be the strongest phase of volume growth in global copper demand in history."

All the major players who privately own 71 percent of copper mines and 100 percent of lithium mines in Chile—BHP Billiton, SQM, Albemarle, Anglo-American, KGHM International, Glencore, Freeport-McMoRan, Teck, Antofagasta Minerals—are rubbing their hands at the dividends bonanza this will bring to shareholders and are gearing up to confront the working class.

The fight has already begun with BHP using strike breakers to continue production. This is permitted in Chile because pro-company labor laws allow for the replacement of contractor workers by the client company, effectively voiding the supposed "right to strike." These laws were passed in Congress with the collusion of the parliamentary left.

The union has made a mealy-mouthed plea to challenge the

provocation through Chile's pro-employer labor court system. "The company is placing substitute workers in the mines located in northern Chile, to ensure continuous production," BHP Specialists and Supervisors union secretary Robert Robles told Reuters. "Complaints were filed with the Labor Directorate for violation of the right to strike and anti-union practices."

On May 27, 2021, contract workers who remotely run both the Escondida and the Spence mines' Integral Operations Center (IOC) from 1,400 kms away in Santiago went on indefinite strike for the first time since the union was formed in 2019.

The remote workers are made up primarily of highly skilled people dismissed from BHP's Escondida mine (which last year produced 1.19 million tons of copper, more than any other individual mine in the world) as well as the smaller BHP Spence mine. They were then immediately outsourced to a sister company "BHP CHILE" on individual contracts with lower wages and benefits when the Integral Operations Center was inaugurated two years ago.

As one IOC worker recently commented, "We remotely operate (from Santiago) the entire value chain from the extraction of the ore to its shipment. We are control room specialists who cover all the bases. In addition, we have people who work in technology, people who work in technological support, people who work in long-term and short-term planning, strategic planning, projects..."

The IOC strike was followed by a vote of 1,100 onsite workers at the Spence mine in the Antofagasta region to go on strike on May 31. A larger group of onsite workers at the Escondida mine located in the same region are scheduled to go out later in June.

A massive transformation is underway in international mining associated with the implementation of automation and remote operating systems. The process began with the relocation of business functions, operational planning and analytical functions away from sites. The coronavirus pandemic has accelerated this process to include the development of remote field work with the application of artificial intelligence and machine learning technology.

A mining industry analyst from Accenture Chile explains that "pre-pandemic, field workers were 100 percent on-site. During the first quarantines this presence dropped to 60 percent and is now between 70 and 80 percent. As for office workers, pre-

pandemic, on-site work represented 90 percent. During the first quarantines it dropped to 5-10 percent and is currently between 30 and 40 percent.”

With an annual production of some 5.7 million tons, Chile accounts for 28 percent of the global supply of copper. The industry as a whole is responsible for 10 percent of Chile’s GDP and 52 percent of its exports. Billions have been made in profits by the largest mining consortiums as the country has steadily lost market share. Both the state-owned company, Codelco, and many privately owned mines have been in operation for decades and require enormous capital outlays to deal with aging infrastructure, falling ore grades and higher operating costs as they dig deeper into the earth.

The drive to “modernize” labor relations and increase flexibilization, therefore, is to intensify cuts to production costs by removing all restraints to the exploitation of labor.

The latest government report indicates that the present workforce surpasses that prior to the pandemic. From 250,000 workers employed in mining pre-pandemic, 40,000 jobs were destroyed in the months following March 2020. Since June of last year, when the second wave hit the mining regions particularly hard, the trend was reversed and as of March 31 of this year 260,000 people are working in the mining industry.

What these figures don’t show is that the majority of that workforce is hired from subcontractors or on individual contracts, as are the IOC employees. The proportion of staff directly employed by the mining industry has been declining for well over four decades. In the early 2000s, only 39 percent of the workforce was directly employed, falling to only 27 percent by 2019. This trend has only accelerated since the pandemic.

Large mining corporations have couched the push for efficiencies and productivity increases through automating field work and machine operations as driven by safety concerns. This is belied by the fact that they, with the help of the right-wing government, the parliamentary lefts and the trade unions, conspired to keep the mining industry operational during the pandemic.

In the northern regions of Tarapacá, Antofagasta and Atacama, where the bulk of the mining sites are located in Chile (see map), total confirmed and suspected COVID-19 infections reached 126,300 cases, and there were 2,375 deaths by the end of last month. This carnage does not even begin to account for the thousands of incapacitations suffered by Chilean miners due to horrific accidents that in the last 20 years have claimed the lives of 581 workers.

A March 31 editorial in the Peruvian Mining Council’s *Tiempo Minero* gave an estimate of the number of miners who had died of COVID-19 in several Latin American countries, revealing the same disdain for workers’ lives everywhere: 120 in Ecuador; 299 in Brazil; 55 in Peru; 18 in Chile; 35 in Argentina.

Responsibility for this state of affairs rests squarely on the

parliamentary left, the Communist Party, Frente Amplio and the corporatist trade unions, which for decades since the return to civilian rule have maintained tripartite arrangements, working simultaneously with business and with past center-left coalition governments, just as they have today embraced the incumbent right-wing presidency of Sebastian Piñera.

Not only did they support keeping the non-essential but highly profitable mining industry running, they passed laws facilitating the suspension of hundreds of thousands of contracts, forcing workers to eat into their unemployment insurance under the “Employment Protection Law.” They put into operation “Electronic Settlements” allowing massive layoffs without the right of workers to make any claims and agreed to postpone collective bargaining negotiations.

They signed a national unity pact with the Piñera government in the midst of massive anti-capitalist demonstrations at the end of 2019—from which emerged an agreement to hold a plebiscite and election to draft a new constitution—seeking to channel workers behind parliamentarism and dampen the class struggle. Other populist measures, such as a mining royalty bill that is unlikely to see the light of day, were pursued with the same agenda in mind.

The class struggle has reemerged among a historically significant section of Chilean workers. It is part of a developing strike wave and radicalization of the working class on a global scale whose objective significance is the fight to save lives and livelihoods from a capitalist-made crisis that the pandemic has exposed for all to see.

The working class can take forward this fight only by breaking with the nationalist and opportunist trade unions and fake left capitalist parties and developing new organs of struggle.

It is to this end that the International Committee of the Fourth International (ICFI), which publishes the *World Socialist Web Site*, has initiated the building of the International Workers Alliance of Rank-and-File Committees.



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