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es up by to by Reuter) year or in 1990. ' _

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5W" Falling Gold Prlc

said.

5 US. Big JOHANNESBURG (AP) - Friday, and Rand Mines Ltd.

Irrers have The falling world gold price, at suspended listings on the Johan-
Je achiev- its lowest since 1986, caused two nesburg, Paris and London stock
irofits." gold mines to suspend stock ex- exchanges for two of its oldest

:roup said change trading Friday, and gold mines. 4

:tic autos about 15 marginally profitable The company said that at

lade vehi- mines may close if the price prevailing prices the mines are

It because drops further. incurring substantial losses. It

)rth of in- South Africa is the worldts lar- appealed for more government

ny foreign gest producer of gold, supplying financial assistance to keep the

L 33.8 percent of total global two mines operating.

:1. as the im- production. Export sales of an es- x.

uported au- timated 600 tons a year provide 0

ry to the half the country,s annual foreign ROK' NO Foreign Labor

"particular exchange earnings. ' '

ocal leve , " This weeks price plunge to be- On Housmg P r OJeCtS

ibert McEl- low 370 dollars an ounce comes SEOUL (AFP.Jl'ji) _ South

just as the annual wage negotia- Korea,s Ministry of Labor Af.

leaine, the tions have begun between the fairs said Friday that local con-

lustw earns major mining companies and the struction firms building 130,000

sayearar black National Union of government apartment houses

an 336.000 Mineworkers. outside Seoul will not be allowed

ercent over The closing gold price in Lon- to hire foreign workers.

don was 365.50 dollars an ounce South Korean contractors have

said they want to recruit truck

drivers from Thailand, car-

penters from the Philippines,

plasterers from India and

laborers from Bangladesh to

work on the project in SeouPs two

satellite cities.

T ""im workers were being

they accept

'me year-on-year rate at me

I i end of March was 7.9 percent.

37.05.

The two mines are Durban

Roodeport Deep, which employs

8,177 blacks and 496 whites, and

East Rand Proprietary Mines,

where 10,289 blacks and 1,155

whites work.

East Rand has been receiving

government assistance for some

time, said Rand Mines spokes-

man Greg Kukard, because

production costs exceeded

revenue last year by about 12 dol-

lars per ton of milled gold.

The company contends it is in

the nations interest to keep some

marginal mines going because if

the price of gold rises again they

would become profitable. Once a

mine closes, it is more dangerous

and costly to start it up again,

officials say.

Most mines have multiple

shafts, some producing gold at

less cost than others. Because

East Rand and Durban Roo-

deport are old mines, they have

relatively uneconomical shafts.

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Eureka Research

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see another one or two in the next few years, T he said.

(?Endangelys Marginal Mines

South Africa has the deepest gold mines in the world, and the costs of producing gold each year rise because of the necessity of digging deeper.

The National Union of

Mineworkers, which represents

nearly half of the countryts

600,000 black miners, believes

companies should use some

profits from viable mines to keep

marginal mines running, and

support employment. The union

opened annual wage negotiations

Wednesday demanding a uni-

form minimum wage of 222 doi-

Iars a month for underground

miners and 210 dollars for sur-

face workers.

Such a policy would mean pay

increases of up to 100 percent for

some workers in the unions plan

to reduce pay gaps between

different worker categories and

achieve what it calls a uliving

wage" by 1991.

Officials at the Chamber of

Mines, which represents the

major mining houses, have

warned that drastic increases in

wages would place 15 marginal

mines in jeopardy of closing.

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