



Public Service Alliance of Canada  
Alliance de la Fonction publique du Canada



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**MEDIA RELEASE**

For Immediate Release

## **Confidential email from Ekati diamond mine owner BHP Billiton appears to the union to be hiding profits to improve BHP Billiton position in negotiations with government agencies, NGOs, and employees, says union for striking workers**

**BHP Billiton email says “tone down” statements about “highly profitable” business**

**Yellowknife** – Ekati diamond mine owner BHP Billiton has been deliberately hiding the profitability of its mine in order to improve the company’s position in negotiations with government agencies, non-governmental organizations and its own workers, according to a confidential email released today by the striking workers’ union.

The Public Service Alliance of Canada says the secret email is shocking and brings into question everything BHP Billiton says about the operations of the country’s first diamond mine, located in the North West Territories.

In an email dated April 7, 2004, after PSAC had organized Ekati workers to join the union, BHP Billiton Business Improvement Manager Grant Farrows writes that he wants the mine’s profitability “toned down” because it makes negotiations “tougher” to handle.

“I suggest we start to tone down the ‘Diamonds is a highly profitable business for BHP Billiton...’ part of the message as this could be used against us in future negotiations with PSAC, and government agencies, NGO’s, etc...It makes it tougher to negotiate tighter unit rates, workplace agreements, reduced regulatory and monitoring programs, etc...on our terms when people keep hearing how highly deep our pockets are.” Farrows wrote to the “Diamonds Ekati Management Team.”

The email has been posted on the union website at [www.psacnorth.com](http://www.psacnorth.com)

Jean-François Des Lauriers, PSAC Executive Vice-President-North, says the email makes it clear BHP Billiton has been pursuing a long-term strategy of deliberately hiding profits from the diamond mine to reduce its environmental responsibility for the negative effects of the mine, to lower the value of compensation agreements reached with governments that regulate the mine and to avoid paying its employees fairly.

“It is shocking that for two years BHP Billiton has been willing to deliberately mislead its own workers, governments and NGOs about its profits in order to plead poverty in negotiations,” Des Lauriers said. “This shows that BHP Billiton can easily afford to reach a fair first collective agreement with its workers.”

Todd Parsons, President of the Union of Northern Workers component of PSAC, which represents Diamond Workers UNW Local X3050, said the secret email should be of

concern to governments, First Nations, environmental groups and others who have agreements with BHP Billiton.

“This email showing BHP Billiton’s strategy of downplaying how profitable the diamond business truly is may give other organizations strong reason to reconsider their own deals regarding the Ekati mine,” Parsons said. “It certainly raises a lot of questions about how BHP Billiton has been negotiating with not just the union.”

Parsons said talks with BHP Billiton broke down over wages, job security, and vacations.

PSAC represents 400 diamond workers on strike since April 7 at the Ekati mine, which produces 6 per cent of the world’s diamond supply by value or 4 per cent by weight and yields 3 to 5 million carats annually. It is located 300 km northeast of Yellowknife and 200 km south of the Arctic Circle.

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