9-22-1995

Interview no. 906

Joseph De Bastiani
M: [This interview is being conducted] in [Hidalgo del] Parral, Chihuahua, at the home of Joe de Bastiani. We're going to visit with Mr. de Bastiani about what he remembers about his experiences here in the mining industry in Mexico. Joe, thanks for your time. Let me just start out by asking you, how did you get involved in mining? What was your education and how did you come to Mexico?

B: Well, I was born in a small town in Ontario, Canada, Cobalt, Ontario. And all my life I have been close to mines. But after I graduated from Haileybury Mining School I went to work in the mines in northern Ontario. But after ten years of working in the mines I decided to go to university and I went to Michigan Tech. But after having worked for ten years in the mine I decided I didn't want to be a mining engineer, so I studied mechanical engineering. And after I graduated as a mechanical engineer I worked in Connecticut for one year as a mechanical engineer and was completely bored, so back to the mines.

Then I was hired by an American Company, Eagle Picher, to come to Mexico to work at their operations in Parral, Chihuahua. So...
M: What year would that have been?
B: I came down in 1954 and didn't expect to be here more than six months, but here I am today still in Mexico. (chuckles)
M: So here you are in Parral.
B: That's right. Then I worked at the Eagle Picher property until 1961 when we shut down because of metal prices and started a contracting company. And I had a partner by the name of Bruce Taylor, who was originally from Timmins, Ontario. And the contracting company, oh, did several contracts throughout Mexico. And Bruce was in charge of the northern part of Mexico and I moved to Querétaro so that I would look after the southern part of Mexico. And I was in Querétaro for eighteen years and then came back to Parral.
M: The type of contracting you were doing, this would have been for mine development, not production work?
B: No, it was development: sinking shafts, driving tunnels, and raises. That was the... . Now, what else?
M: (chuckles) Well, tell us about some of your experiences in working as a contractor. You worked with several different mining companies. What were the working conditions like for the mining companies? Was there much difference in their approach to things?
B: No, no. When we started the contracting company most of the bosses in the mining companies were either Americans or Canadians. And there was a lot of communication between ourselves on both and we understood each other very, very
well. Things changed a little bit after the Mexicanization and it certainly was a lot different from working with the Americans and the Canadians.

M: So you were saying about things did change some after Mexicanization.

B: Yes. When contracts were discussed with Americans and Canadians there were never any questions about how much of a kickback some of the operators would get. And that changed completely after the Mexicanization and the bosses were Mexican engineers. I couldn't go along with that way of thinking and, oh, I had to quit taking contracts because I wasn't willing to put up with their way of operating. Maybe after all these years not understanding the system (chuckles) it's probably one of the reasons why I am no longer in the contracting business.

M: Well, it could be. What do you remember about the mines here when you first came to Mexico in the 1950s? Did Eagle Picher have a fairly substantial operation in the Parral area?

B: Well, by Mexican standards, the Eagle Picher operation was the most efficient one in the Parral area.

M: Now, what mine was this they were working?

B: The Esmeralda mine. And the name of the company was Minas de Iguala. Now, the most efficient operation in the Parral area...by present standards it wouldn't be considered (chuckles) too efficient. I mean, we're talking about two tons per man shift. That includes the office personnel, all
the staff, and everything. Two tons per man shift wouldn't be considered at the other operations in the area. We got, maybe, just a little over one ton per man shift and some of them not even one ton.

M: Well, these would all have been underground mines, shaft access?

B: Yeah, oh, yes, yes, all underground. The Esmeralda mine, oh, when we shut down was 2,200 feet deep and the grade on the twenty level was something that wouldn't permit us to keep on working. The grade was much too low. We had to have an agreement with the union to be able to shut down because in Mexico you accrue a labor indemnity that you are responsible for. And we had to live with that. And we did pay off our people. Okay?

M: Well, let me ask you. You also saw some of the operations at the time even if you weren't working for the mining company. You were quite familiar with La Prieta?

B: Oh, yes.

M: And you knew several of the people that worked there.

B: Yes, well...

M: Now ASARCO was, at that time, certainly an old time Mexican company. What were their mines like? What were their people like?

B: (glances at tape recorder) It's not working, now.

M: Yeah.

B: Just hold it there.
M: You've made...

B: Then we can revise it.

M: You can revise it. No problem with that. You were going to just kind of give us a general comparison between the mines that you were used to seeing in Canada and some of the mining conditions, in general, that you found in Mexico when you came here in the [19]50s.

B: You know, the first mine I worked in Canada, the machines, they were those liners, big, heavy machines. You had to put the posts and...a real back breaker. And a Swede came on the property and he had one of those jack legs. The old miners that were teaching me a thing or two looked at that and they thought it was a toy. And I looked at it and I said, "Boy, if you can do it with a machine like that you've got a deep..." rather than working with those widow makers that they had before. And then, also, steel, steel with bits. They were sharpened bits, like the blacksmith would sharpen the bits. And you would bring down all kinds of steel to be able to drill. They brought in those tungsten carbide bits and it just cut the work by I don't know by how much. I mean, it was just unbelievable, unbelievable.

M: Now, that would have been when, Joe? In the late [19]40s or right around 1950?

B: I would say in the late [19]40s. Yeah, yeah, in the late [19]40s. And, of course, when I came to Mexico they had the jack legs here. And I don't know what kind of production they
would get in Mexico if they would have had to use those liners that were being used in Canada. But even though the Mexican is a much smaller person than the Canadian, they could work very well with the jack legs because it wasn't that heavy a machine.

M: But the mines in Mexico had more people working in them than you were accustomed to, as well.

B: No. I mean, oh, I think if they would have had the same number of men in the mines up in Canada that they had here in Mexico I think the mines would have shut down in Canada. They wouldn't have been able to compete, you know. And when the—just a little anecdote. I remember this. When the Swede came with the jack leg here in Mexico, one of the bosses said, "Never mind the jack leg. Just give us a Swede!" (laughter) I mean, there's a difference in size. I remember that very, very well. You know, it was really comical, really comical, yeah.

M: Well later, when you were working as a contractor, did you have quite a number of fewer miners working for you on some of your drift driving and so forth?

B: Oh, yes, yes.

M: Now, was there a difference in labor laws regarding that as a contractor than there would have been for a mining company in production?

B: No, no. The laws were the same. I mean, you had the same responsibility with your contractor, but for a contract you
could hire people and stipulate in the contract that it was for that job. And it made no difference how long the job lasted. You did not accrue that labor indemnity. You did not accrue that labor indemnity for the workmen. Once the job was finished you paid them and...well, you gave them a bonus or something like this, but it did not come to the amount that you would have had to pay if you had to pay them like... Why, it's three months plus twenty days per year of service, something like that. See, you weren't responsible for that, but you definitely had to stipulate when you hired them that it was just for that one job. Okay?

M: Well, you must have had some good miners working for you in your years at...

B: Well, I hired the cream of the crop after we shut down the Eagle Picher place. I mean, we knew the miners very well and we knew that we could depend on the best miners. But they were making more money than the average miner, like when they were working as contractors and so on, because we would go do jobs at different mines and when some of the miners there found out what we were paying our miners a lot of them wanted to come with us.

M: Now, were the miners working for you have an incentive program of some sort on a production bonus?

B: Oh, yes. That's right. You would say, "Okay, you give me so many meters of advance and you get a bonus for that." And if you didn't, I mean, if you just didn't go beyond what could be
expected, well, you just got your day's pay and that was it. But as a contractor you have to give them an incentive. And most of the companies that we did work for they understood that. And, you know, it was good for them to be able to finish these jobs fast. Yeah, we did quite a few contracts in Mexico, quite a few. That include shafts, tunnels, raises.

By Mexican standards I think we were doing good work. I certainly wouldn't want to compare myself to the advances they would get in contracts in Canada and the United States, but by Mexican standards we were alright. And, I guess, even the companies could say that we were doing a good job because we were beating their standards.

M: Well, you mentioned that a simple thing, like just getting improved drill bits...

B: Oh, yes.

M: ...has a major impact on mining productivity. What other technical changes went on, say, in the years after that that had much of an impact on mining, particularly here in Mexico? I know they eventually went to rubber-tired equipment and so forth.

B: Well, yeah. We never went to that. I mean, it was all track. It was all track, but in the stopes at the Esmeralda the vein was wide enough, and we had jumbos in the stope, which did an awful lot to be able to get the tonnage that we were getting compared to the other companies. I mean, none of them had jumbos in the stopes.
B: Right.

M: That came later.

B: Well, let me ask you another question. Your family grew up here in Mexico, didn't they?

M: Well, let me ask you another question. Your family grew up here in Mexico, didn't they?

B: Well, yeah. You know, when I came to Mexico, I mean, I came down single. And I married a Parral girl. And I didn't know how long I was going to stay in Mexico, so when my kids were born my wife would go up to El Paso because I said, "They either have to be Canadians or Americans." (chuckles) It doesn't sound too good, but anyway, now, the thing is my three kids are living in Mexico now and not only are they completely bilingual, they are bicultural, which helps a lot. I have one son who is the general manager of a maquiladora in Chihuahua for the TRW Company. And they make the air bags that are-what do they call those air bags- protection in the cars.

M: Collision air bags in automobiles, yeah.

B: And they know that he is a foreigner, but he understands the Mexican as well as he understands his own, the Americans, which makes it pretty good. It makes it very good.

M: But now, for example, your children would have gone to schools here in Mexico?

B: Oh, yes.

M: Now, did they attend some of the company sponsored schools?

B: That's right. Prieta, the ASARCO mine here in Parral, they had a school for the children of their foreign employees. And I was allowed to let my kids study in that one school. And
they all did their grammar school at Prieta. Then after that, well, it was time to send them out to high school. And that was one of the reasons, also, that I moved to Querétaro, because there was John F. Kennedy High School in Querétaro and we could have the kids at home and still be attending an American high school. And after they graduated from there they all went to Texas Tech in Lubbock, Texas. So...

M: But the quality of the schooling they had at Prieta, how would you describe that?

B: Well, I would say that it was the Calvert course. And when they got to high school they had no trouble at all with the classes that they were taking in high school. They had enough background that they had no problem in the high school.

M: These schools, for example, that the companies were responsible for all the costs, including hiring the teachers and supplying materials and so forth?

B: The companies paid the teachers and everything. And they had American and Canadian teachers. I mean, it wasn't something that just..."Let's get a Mexican teacher that speaks English with an accent," or anything like this. They were perfect. I mean, they were very, very good teachers, very good teachers. And the only thing is, like in a school like that, first grade to the eighth grade was all in one room, you know. And there weren't that many kids, so maybe the teacher had two kids in fifth grade or something like this. But I'm very, very happy. I'm very, very happy that the ASARCO people let me put my kids
in that school because I never knew how long I was going to stay in Mexico and I was sure that my kids had to have English. And this was the reason for that. It would have been impossible to have them in an English school. I think it would have been instrumental in mining in Mexico, oh yes.

M: What is your personal opinion about Mexicanization? Was this something that was good for the Mexican mining industry?

B: I don't think so. I don't think so. I think the Mexican mining was downgraded when they Mexicanized because when I first came to Mexico all the mine superintendents and mine managers were all foreigners, but you never saw a mine superintendent in his twenties. He had to have some background before he would get a job like that. And after the exodus of the foreigners kids were the mining superintendents, and no experience whatsoever, and so it certainly wasn't good for the mining industry.

Now, Jack's [Humphreys] case is a little different. He still was the boss. That's why he would say there was no difference. But in most of the companies most of the units that they had they were all Mexican engineers and not enough mining background to be in those responsible positions.

M: Well, there was some other adverse conditions. I mean, the rest of the mining industry is always strongly affected by changes in metal prices. In the years during the Mexicanization there were some tough years from a price standpoint.
B: Yes. Now, that was one of the factors, also, but, you know, I think the instigators for the Mexicanization was the Association of Mexican Engineers because they used to say, now, to go ahead in a company you have to be a foreigner. And it's not true. That's not true because when I first came to Mexico the mine superintendent at Esmeralda was a Mexican, Vicente Cisneros, and, well, he was a competent person and he got the job. And in some of the other places I met some of the Mexican engineers and they deserved to have the jobs, but they were not the twenty-five, twenty-six year-old geniuses. They had some good Mexican engineers, but not enough to fill all the jobs that were available.

M: But now, the foreigner engineers, the foreigner technicians, didn't all leave at once after the Mexicanization.

B: No, not all at once, but, you know, they could see the handwriting on the wall. They could see the handwriting on the wall and they were leaving. They knew that the position they were in, that was the limit. If anyone was going to be higher up it was going to be the Mexican.

M: So, many of those that stayed stayed for considerations, for retirement, or something like that?

B: Yeah. Well, I mean, that automatically for the ones ready for retirement, they left and that was it, yeah. I knew some of those, also. And, I guess, maybe, you know, some of them that had been down here for years, it probably was pretty rough to go back even to their own country, you know, back to that.
One chap, in particular, that I know he hadn't been down here for, I don't know, something like thirty years and he went back to the states and he had a hard time readjusting, a hard time readjusting. This guy had worked in the Philippines and when the Japs took over the Philippines he...

End of Side A

Beginning of Side B

B: Forty years here. It would be hard to readjust, you know?
M: Sure.
B: Oh, yes.
M: What is your view, Joe, on some of the recent changes in investment laws that now allow foreign mining companies free access to Mexico like in years past? Is that a good thing?
B: Well, yeah, I think that's good. I think that's good. And I see that there's an awful lot of Canadian and American companies that are interested. They're down here, they're looking at properties, but I don't know of one that has started an operation.
M: Of mining production?
B: That's right. You know, I don't know one. Maybe I don't know enough about the mining. Maybe they have these exploration programs and, I mean, they're trying to prove tonnage and

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stuff like that, but I don't know of one company that is building a mill and producing a sizeable amount of ore. I don't know of one. There may be some.

M: What significance do you attach to that? Do you think it will be more difficult for companies to get in to production? Certainly, production is going to present a different set of problems than exploration.

B: No, they're probably at the exploration stage, but I'm just wondering if they're not also looking at the political end of Mexico, you know. You get the statements from the government that..."Oh, yes. We want you to commit. We want you to commit." But how much security have you got? You know, in, well, I don't remember which year, but they Mexicanized and what assurance do you got that they're not going to do this again, you know? They're experts at it. And I'm just wondering if, maybe, some of the companies might be a little bit leery about that.

M: I think you were thinking this, too. What changes would you see that, also, would be necessary in Mexico to make the mining industry in Mexico competitive with other parts of the world? Are there some things in the labor laws that might need to be changed?

B: Oh, yeah. They're definitely going to have to revise the labor law. Oh, yes, yes, because...well, I'll give you a printed sheet to show you exactly payments that you're responsible for for different wages like vacation, social
security, SAR. I don't know if you're familiar with SAR or not.

M: Infonavit?

B: Infonavit? No, I don't think.... And I'll give you a sheet where you can see that. And...

M: But those aren't unique to the mining industry. I mean, those apply to labor everywhere, don't they?

B: Yes. So then we probably agree when we say all industries (chuckles) have this problem. And, you know, you have social security and you don't get the best of services in these social security hospitals. Like in a place like Parral its hospital is sad, sad, sad, but it's there. Now, you have to abide by it. You hear a lot of stories that they're going to revise the labor law. Maybe they realize now that it's tough to upgrade the way they have their laws right now. I don't know if you've heard that they're talking about revising the labor law, but that comes in the paper. The only guy that's against it is Fidel Velásquez, who's ninety-five, so he can't last much longer. (chuckles)

M: Not necessarily.

B: What?

M: Not necessarily. (chuckles)

B: God, he's ninety-five years old and he's the big gun in CTM.

M: How do you see kind of the legacy of the foreign involvement in mining up to now in Mexico? Has it been something good or bad or what are the pluses and minuses of foreign involvement
in Mexico?

B: Of what's going to happen, you mean?

M: Of what has happened and, probably, what will happen.

B: Well, let's take an example like ASARCO. You know, they had a sad experience with the Mexicanization, but they have an office here again. So, maybe, with a company that size and, back after going through some of those experiences, it may not be too bad. It may not be too bad. Big company like ASARCO, they must know what's going on. They must know what's going on. And you take a company like ASARCO and all, they have more information on Mexico than the Mexicans. They had an office in El Paso years ago. And the guy that was looking after that, a chap by the name of Tom Clendenen, did you know him?

M: I knew the name, but I never had the pleasure of meeting the gentleman.

B: Yeah, Tom Clendenen. I walked in there one day and it was unbelievable the files they had, unbelievable. Well, they put it all on microfilm now. Everything and all that's gone, but ASARCO can go just about anyplace in the country and know that there's good possibilities. They have that information. As a matter of fact, in the archives in the Washington there's an awful lot of information on the...I keep trying to think, keep trying to think of the name of the guy in Peñoles.

M: Well, you've had some interesting things happen to you, though, in your career here in Mexico. What were some of the
outstanding, just anecdotes or adventures, that come to mind?

B: You think I should talk about that labor negotiation?

M: I think so.

B: Alright. Well, in 1957 I went down to Mexico to negotiate the labor contract and, after that, I can say that I belong to a very select group in Mexico. How many can say that they got kicked out of the president's office? (laughter) And the only reason... The labor minister at the time was López Mateos, and he later became president, but he was the one that kicked me out of his office because I was not willing to build a school, Article 123, which is a school that a company's completely responsible for. Now, all our people were living in town. We didn't have a colony and we were not liable for an Article 123 school, but I guess he figured, "Well, we'll get one out of this company." And it's all to the good, but it didn't happen. But, anyway, with that, I think, I got a little bit of fame and (chuckles) I think I was about the only person to get kicked out of the office. And when I was in Mexico discussing that contract I was relatively new and the ASARCO people were afraid that I would give away the store.

M: This is while you were working with Eagle Picher?

B: While I was working with Eagle Picher, yes. And I was getting all kinds of advice, that I shouldn't give in to this and I shouldn't give in to that. And then when I looked at their contracts they were all things that they had given away years ago. You know, they are the ones that established the pattern
and then to tell me that I shouldn't give this and I shouldn't give that. It's impossible, you know. All the union knows what they got in the different units and they're going to try and get it out of somebody else. But, anyway, after discussing everything and signing the agreement in Mexico...when the boys came back to Parral they went out on strike. They were out on strike for a month. And at the end of one month I was called back to Mexico City to come to an agreement. And up to that time...I don't know. I don't know how you would say this in English, sueldos callidos.

M: Lost salaries.

B: Lost salaries. Up to that time, anytime they went out on strike, to get back to work they would have to give them their full lost salaries.

M: Pay them for the time that they were out on strike.

B: That's right. And I settled it with fifty percent, which was the first time anything like that happened in Mexico. I guess, maybe, the ASARCO people changed their mind about de Bastiani (chuckles) giving away the store and I got to be very friendly with the top guns in ASARCO after that, oh, yes. And Santa Bárbara was out on strike at the same time. And after I'd settled ours with fifty percent of the lost wages for that one month Santa Bárbara, also, settled their strike for fifty percent, which was something new for a big company like ASARCO. Up until that time they had always paid one hundred percent.
When I was in Mexico discussing the labor contract, like I said before, López Mateos was the Minister of Labor and he loved to work at night. And I guess his tactics were, "I'll get the union tired and I'll get the company tired. And when they're both tired, they'll come to an agreement." (chuckles) Which, I guess, is probably a good way of doing it, but... Oh, to give you an idea...the day I got kicked out of his office was at four o'clock in the morning, (chuckles) four o'clock in the morning. And after I got kicked out of his office, I mean, I was sitting around on the steps in the labor ministry and nobody was talking to me, so at seven o'clock in the morning I decided I'd better go back to the hotel. And when I was leaving the door the conciliator came up to me and [asked], "Where are you going?" I said, "I'm going back to the hotel. Nobody's talking to me here now. There's nothing I can do." [He said], "You be back here at ten o'clock. We'll start discussing this at ten o'clock." So I got back at ten o'clock. The conciliator didn't show up until two o'clock in the afternoon. So, I guess, he probably said, "We're going to tire the representative of the company." (laughter)

M: They tired out their own people as well.

B: God, it was unbelievable. I can laugh at that now, but at the time it wasn't too funny.

M: Well, let me just ask you another question, Joe. Eagle Picher had operated in Mexico for a long time and was some...
B: They had an operation in Taxco before they came here.
M: Why were they anxious to leave Mexico?
B: Well, I think it was something that was decided at the top, you know. I don’t think the CEO of Eagle Picher had no stomach for Mexico and he just wanted to get out. Now, you take...they had this property in Taxco. And this is where the name Minas de Iguala...okay? Because there’s an Iguala down in Guerrero. And they took off from Taxco and came to Parral. And today, this was in 1947, something like that, [19]46, [19]47, maybe [19]45. Today, 1995, in Taxco ASARCO is still mining ore on the property that Eagle Picher dropped, so I don’t think that was too much of a decision. But the boss is not always right, but he’s always the boss.

And then the other thing. Eagle Picher had a lot of claims in the Naica area. And we went up to...I didn’t go, but my partner went, Bruce Taylor. I think it was in Cleveland where the head office for Eagle Picher was. I’m not sure about Cleveland. And he went up to talk to the big gun to get some of the money to let us get Naica started. And when he got there he had gotten there too late. They’d sold it. And this goes back to 1959. Fresnillo is still mining ore today on the claims that Eagle Picher sold. And when I was told that Eagle Picher had sold it for...my comment was, "They didn’t sell it. They gave it away." (chuckles)

M: When Eagle Picher left and you decided to stay as an
independent contractor, what was the main motive for that? Did you just like being in Mexico or was it a good business opportunity?

B: No, no. See, after they sold Naica they wanted to get out from Minas de Iguala, also, so this was when my partner, Bruce Taylor, and I...he was the general manager, I was the superintendent. He and I took over the Esmeralda mine, so we were the owners of the Esmeralda mines. We kept working. This, Noel, was about the same time, 1959, something like that. So the mine was ours, which was not bad, you know, a thousand day operation for two people. But we could see that it was something that was going to die out, so then when we got to the twenty level and the grade could no longer...I mean, we couldn't keep the operation going, so this is when we decided, well, we're going to shut it down, pay off all the men. And we had all kinds of equipment, too, these contractors, we had all kinds of equipment. Well, I would say, Bruce Taylor and myself were the first mining contractors in Mexico, the first mining contractors. And we started this company TADMEX.

M: TADMEX?

B: TADMEX. Now, everybody thinks it's Taylor and de Bastiani Mex, (laughter) Taylor and de Bastiani Mex, yeah. Taylor was a terrific fellow...terrific fellow, good head, good head.

M: Let me ask you one final question. How have you been able to put up with all these years of bad skating here in Mexico?
M: You grew up as an ice skater, didn't you? And a hockey player?

B: Yeah, yeah, yeah. Well, you see, the last time I had skates on I was in Ann Arbor and I was playing hockey for Michigan Tech. And the last game of the season was in Ann Arbor. And after that game I said, "I will never put skates on again." And I never have.

M: What prompted you to make that decision?

B: Because I had my fill of it. I had my fill. You know, you grow up with hockey and everything like this and, boy, your ambition is maybe make the NHL. Well, I wasn't good enough for that. I wasn't good enough for that. I know a lot of boys, young guys, friends of mine, that made the NHL and that, but they were exceptional. They were exceptional, but, you know, it was a different kind of hockey altogether than what you see today. The famous name today is Wayne Gretsky. I guess maybe he would have made it even then, but he certainly wasn't going to be the star he is today in those days. Some of those fellows in those early days, they were real hockey players. And it's none of this stuff of shooting the puck down the ice and then chasing it, you know. They carried it down. They carried it down. But no, no, I don't miss it. Like, I can get the hockey games on TV and I don't even watch them. I don't even watch them. All I can say is, oh, I don't know, hockey was good to me. Hockey was good to me, you know.

In 1949 I went over to Europe with the Sudbury (?).
Wolves. And, I don't know why I say this, but, I mean, one game we were playing in Paris against the Paris team. And after the game the Paris coach told me, he said, "Joe, next year you come over to Paris and play for us." And, finally, why, I opened my big mouth, but I told him, "No. I'm going to back to school." And he told me that he had a brother that was coach at Michigan Tech. He said, "And I'm going to contact him, so then you can write to him." And that's what I did. I went to Michigan Tech. And the decision was made in Paris. I don't know... . (laughter)

M: Which all resulted in an interesting career, didn't it?

B: Oh, yeah. Well, it was always one of the scars back there, you know, in the subconscious about going to university. And I opened my mouth at the right time and it happened.

M: Joe, thanks very much. I appreciate your time.

B: Well, I...okay.

End of Interview