



After Marikana—The challenge and opportunity

The fundamental tenet of being a registered professional is not to undertake work for which you are not qualified. I am neither a politician, nor a social scientist so have absolutely no qualification to comment on the current labour unrest in the industry and country but, as one who is part of the minerals industry, I feel that comment is necessary. Consequently the comment and views that I express here are

my own and do not represent the opinion or position of the SAIMM or my employer in any way. The Marikana tragedy has precipitated a change in labour relations dynamics in the platinum industry with signs of contagion across other commodities and industries. Marikana has also shown that the inequalities that are a reality of our society and nation are simply unsustainable. In essence, the economic expectations created in the establishment of a democratic South Africa are simply not being realized by the majority of people.

In this context, a situation seems to be developing where the fundamental function of organized labour - that of representing the workforce in its relationship with business - is being questioned. Labour dispute resolution mechanisms, so hard fought for in the 1980's, and which effectively contained labour militancy and resulted in the structured relationship between Industry and Labour, are in danger of being abandoned as the unemployed struggle to find a voice.

The efficacy of company social investment through regulated social and labour plans is being questioned across the industry; combined with the ineffectiveness of municipal planning and the ability to handle the rapid urbanization associated with the expansion of the platinum industry in the North West Province. There has been comment on an absence of effective leadership across politics, religion and business whilst the competence and capability of and trust in our police service are being debated.

Essentially the mining industry and the nation are at a critical juncture where the previous 'rules of the game' are being tested through a convergence of political and social issues. The will and ability to continually test and evolve these 'rules of the game' is one of the critical strengths of our Rainbow Nation; this is how we moved from apartheid to democracy without a civil war. However, as we move forward in addressing the tragedy of Marikana and the underlying triple evils of poverty, unemployment, and inequality, it must be in a peaceful, sustainable way that ensures the continued success of the mining industry. The mining industry is a cornerstone of the South African economy; without it few of the critical socio-economic objectives of our Nation can be met and, without peaceful engagement we will enter a downward spiral from which nobody will benefit.

So how do we prepare our industry for the next wave of economic growth and ensure that companies, communities and the government benefit fully from the next commodity boom?

This is not a trivial question and to find the way forward will require stronger relationships and real collaboration between mining companies, communities, labour and the government if a sustainable recovery is to be achieved.

There is ongoing talk of nationalization of mines and how to address the growing aspirations of the nation, security of electricity and water supplies, and the sustainability of wage demands in an industry burdened by costs. So we need to resolve the uncertainties regarding the regulatory framework in addition to property rights, electricity and water supply stability and the skills gap.

We must consider increased use of appropriate technology that matches ore body characteristics, and improves safety, productivity, and reduces operating cost.

We should identify, share, and adopt best practice from other mining industries and associated sectors. We must be able to learn from others.

We need to work more closely with government and the tertiary educational institutions to develop local research, development and manufacturing capability and capacity for all aspects of mining and metallurgy. These types of activities will lead to increased local beneficiation and can be aligned with national industrialization and growth plans. Promotion of local beneficiation is important where it provides a national competitive advantage; it develops markets and leads to an increase in jobs and skills levels over time.

We need to better understand and manage the expectations of mine host communities, in concert with regional and provincial objectives. We need to work more closely with communities, involving them, indentifying their needs, and not assuming we know what they really need. In this process we should be able to build trust between mining companies, communities, the workforce and municipalities and ultimately stabilize the labour environment. These are the real sustainability objectives that need to be achieved along with managing the impact of mining on water, energy, waste, the environment, and infrastructure.

So, as we move through the current economic crisis and evolving national socio-economic challenge, I will execute my technical duties professionally, with passion, pride and integrity but critically I will respect, value and care about the people that I work with. I do not think we fully understand the harsh realities of their lives.

G.L. Smith
President, SAIMM