

Relationships

Written by GL Smith
Friday, 01 March 2013 00:00

I had the privilege of attending the 2013 Mining Indaba in Cape Town in January. I say privilege because, as the event has grown in stature over the years so has the cost of being there. Despite the cost, attendance was excellent with a range of local and global industry participants. However, I felt an uncomfortable sense of disconnect between the fundamental shift in operating context that the South African industry is undergoing and the sense of 'business as usual' in the exhibitors' hall.

We as an industry are at a point of inflexion where the relationship between business, organized labour, government, and communities has changed and simply will not be the same again. We are moving into a new world with a different set of 'rules of the game'. The problem is that, despite knowing that how we do business has changed, we just don't know, yet, how it has changed.

Through a process of testing, our adolescent democracy is finding boundaries. The relationship between competing labour organizations will move from a winner-takes-all philosophy to shared participation and maturity – but it is going to take time. The pressures of resource nationalism will redefine the relationship between government, communities, and the minerals industry. The challenge is that we have to establish this new set of rules that will allow stability to emerge. Those who lived and worked through the birth of the NUM in the 1980s will recall that a completely new set of rules emerged from the blood and pain – this new set of 'rules of the game' created stability and enabled the industry for 30 years. At the time, it simply did not seem possible.

So where does a mining entity draw the line in terms of sustainability and corporate social responsibility so that it does not intrude on the space of local government or create unhealthy dependencies? How do we as an industry effectively participate in the National Development Plan, with its multiple levels and initiatives? How do you effectively link mineral rents, which should benefit the whole nation, back to a source area so that mining communities do not feel disaffected? The tradition of migrant mining labour is a legacy of our industry, but it is also part of the fabric of South Africa; how do we progressively change it so that labour-sending areas are not plunged into deeper poverty and the social need for migrant work tapers off naturally? What is a decent standard of living for all South Africans; inequality will remain, but can we ensure that no one in South Africa lives in poverty? Intuitively we all understand the challenges; we live in the complexity. However, whatever solution we move towards will be iterative and it is going to take time. The system will stabilize, new 'rules' will emerge, and our industry will move forward.

During this state of flux the Institute will remain true to its objectives and provide a stable platform for members. We will continue implementing and maturing the strategic thrusts that we initiated several years ago: professional relevance, membership growth, student development, regional expansion, international liaison, reporting codes, journal excellence, information availability, and relevant conferencing.

My objectives as President, during this period of change, are continuity and stability of the Institute to allow us to move through and with the turmoil without prejudicing the professional interest of members. The professional needs of members will endure over transient changes in

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operating context.