



## Media release

### Solutions for Mining beyond Mines

*By Jabu Maphalala, PHD Group Member at BDO Innovation*

*Johannesburg, South Africa- December 02, 2014* - It is a well-known fact that South Africa's mining industry is an important sector in the country's economy. It is similarly well known that, due to the history, structure and practices, South Africa's expertise in mining is on par with some of the best mining countries in the world. However, the sector's contribution to the country's economy has declined while in certain sub-sectors such as gold, South Africa has lost its status as the number one producing country. These issues may have been behind recent comments by the Minister of Mineral Resources' call for more robust reflection in the sector as it was the "alpha and omega" of the economy, particularly as mining contributes about 10 per cent to the South African economy's gross domestic product.

Such reflection is indeed necessary as the sector faces many challenges, some of them not related to declining resources. The need for reflection begs the question of what issues to focus on as well as raising the need for a climate conducive to an inclusive stakeholder reflection process. Looking at the issues requiring consideration, one can briefly cite the ongoing energy crisis that has been a feature of the South African economy for many years, employer/employee relationships and engagement parameters, changing local and broader environments in which mining companies operate, as well as lack of alignment of shared understanding of rights and responsibilities.

1. Starting from the position of where we are, rather than who did what, when, and who is to blame, the ongoing energy crisis has been a feature of the South African mining industry since 2008. To enable a process of maximum contribution of mining to employment creation as well as economic contribution, what can be done as a way forward?
2. Since the Marikana incident in 2012, the union brokered employer/employee engagement relationships have changed, particularly with the emergence of a powerful new union. Who should mining employers be talking directly to, on what specific issues and to what extent are prevailing engagement processes and practices addressing the interest of mining company employees and how is that ascertained?
3. To what extent should mining stakeholders be part of Africa-wide and international discussions on the rights of communities, local governments and ownership issues?
4. How should a shared understanding of rights and responsibilities of mining companies, local communities and national government as well as employee representative bodies be developed.

These are some of the questions that should form part of the reflection process that the Honourable Minister called for. The questions themselves are nothing new to anyone even vaguely interested in the sector. The main issue is addressing them within an inclusive environment conducive to such an important reflection process. While there is a multiplicity

of forums and opportunities for such processes to take place, it does not seem as if these have borne fruit thus far. Perhaps the missing ingredient is the establishment of trust and protocols for genuine and credible dialogues, on different platforms to address the issues.

It would certainly be naïve to expect that deep-seated issues can be resolved overnight particularly as in some cases, “discussions” have been barely more than talking past (rather than to) each other, (or about others) sometimes in public platforms until the next contact meeting takes place. Such processes seem to put more effort in preparations for the engagements than on the content of engagements themselves. True dialogue is reflective and includes a genuine attempt at understanding the perspectives of all stakeholders as well as their underlying needs. Failure to do this can only lead to the continuance of vilification and talking past each other with short-term wins at the cost of long-term sustainable solutions.

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Issued by:

Beverley Bradley  
Ogilvy Public Relations  
[beverley.bradley@ogilvypr.co.za](mailto:beverley.bradley@ogilvypr.co.za)  
072 272 5166

On behalf of:  
BDO South Africa  
Genea Frade  
Communications Manager  
[gfrade@bdo.co.za](mailto:gfrade@bdo.co.za)  
082 538 1962