

## **MEDIA STATEMENT**

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### **MINING PROVIDES EMPLOYEES OPPORTUNITIES TO IMPROVE THEIR LIVES AND LIVELIHOODS AND THOSE OF THEIR FAMILIES**

**Johannesburg, 25 April 2024.** Mine employees earn among the most competitive wages in the major job sectors, securing their lives and livelihoods as well as those of their families. The mining industry is increasing the diversity of its workforce, improving health and safety, and providing training and education to develop skilled employees in progression with innovation and technology developments.

Before 1994, Black mineworkers were prevented from securing managerial positions while all women were barred by law from operational activities, and salaries for mineworkers were kept low. The mining industry has transformed over the past 30 years since the dawning of democracy in 1994, profoundly changing the character and face of the sector.

“While aiming for growth, the mining industry has an unrelenting focus on transformation and inclusion as we strive to address our legacy. We have made enormous progress in the past three decades since 1994,” says Mzila Mthenjane, CEO of the Minerals Council South Africa.

“We acknowledge the significant strides in the transformation of management, inclusion of women in all aspects of mining, and improved health and safety, but we have more to do. We are intent on establishing a modern, inclusive, and transformed industry, which will expand, adding more meaningful jobs, both within the sector and downstream value chains and increasing our significant contribution to South Africa’s society and economy,” he says.

The Minerals Council estimates 83% of employees in the mining industry are historically disadvantaged South Africans (HDSA), including Africans, Coloureds, Indians and White women. White men make up 5% and foreign nationals the remaining 12%.

The Mining Charter 2018 set a target of HDSA individuals holding 60% of middle and senior management roles. The Minerals Council estimates the industry has come close, reaching 57% and 58.4%, respectively. However, to reflect economically active population demographics, the industry has more work to do on its transformation journey to be more inclusive and reflective of the country's demographics.

In 2003, shortly before the Mining Charter, negotiated between government, unions and the industry, came into effect, women accounted for only 3% of the workforce. We estimate that women made up 19% of mining employees in 2023, up from 17% in recent years.

In 2023, the mining industry was one of the few economic sectors to grow employment, adding 7,600 jobs, providing work to more than 477,000 people and accounting for 4.7% of formal employment.

Salaries grew by R12 billion to R186.5 billion to secure the lives and livelihoods of employees and their families.

Over the past 15 years, increases in wages across the mining sector have been above the consumer price index (CPI), reflecting both the real wage gains in the sector by employees and a consistent narrowing of the earnings gap between lower and higher income employees.

In addition, tens of thousands of employees are direct partners in mining companies through employee share ownership programmes and profit-sharing schemes. Communities are also beneficiaries of the community benefit schemes that investment in infrastructure and several community needs, above and beyond the compliance requirements of the Social and Labour Plans.

The mining industry spends about R7 billion a year on human resource development, which includes mandatory, operational and safety training as well as education and skills development.

Since 1994, the number of mining fatalities has fallen by 88% to 55 in 2023, with major breakthroughs in fall of ground-related fatalities. Safety is the foremost concern of the Minerals Council and its members, with CEOs meeting frequently through a CEO Zero Harm Forum to share learnings and interventions from incidents, and for in-depth discussion on safety and health improvement strategies which are cascaded to mine operations.

Mining employees are among the best paid South African industrial workers. Basic wages paid by the industry are 17% above those of comparably skilled workers in other industries such as manufacturing, construction, transport and business services.

High levels of training and personnel development in the mining industry contributed towards increases in wages. A research report commissioned by the Minerals Council of 12 companies in gold, platinum group metals, coal, diamonds and iron ore representing 59% of employment in the sector showed that they had spent R5.1 billion on training and development in 2023 at a cost of between R14,000 and R22,000 per full time employee.

In addition to day-to-day training for all employees, it is estimated that the industry invested some R120 million to fund 3,200 bursaries. And 10 of the 12 companies surveyed for the report had close to 5,000 of their employees undergoing learnerships, working towards a large cohort of newly skilled employees being prepared to occupy senior positions in the industry. A large proportion of the bursars and learners are women. The survey showed that the bulk of social expenditure by mining companies is on health and education and so improving the lives and livelihoods of communities.

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<https://www.mineralscouncil.org.za/component/jdownloads/?task=download.send&id=2253&catid=3&m=0&itemid=118> for more information about why mining matters for employees.

Visit <https://www.mineralscouncil.org.za/special-features/1396-miningmatters-to-south-africa-and-its-people> for more information about the mining industry's contribution to the country, to employees and to communities.

**For interviews with the Minerals Council on why #MiningMatters, contact:**

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