



## **PRESIDENTIAL ADDRESS AT THE OCCASION OF THE 126TH ANNUAL GENERAL MEETING OF THE CHAMBER OF MINES OF SOUTH AFRICA**

Honourable Minister Mosebenzi Zwane  
Past Presidents of the Chamber of Mines  
Members of Council and other Members of the Chamber  
Members of the Media  
Ladies and Gentlemen

The journey of the mining industry has lasted more than 130 years so far. It has been mostly bleak, caught in violent storms. Mostly moving forwards, sometimes backwards, sometimes marching in directions it should never have taken.

At the end of this my 2<sup>nd</sup> term as president of the Chamber of Mines it is time for me to indulge in some reflection.

It didn't always seem that way, but I was fortunate to grow up where, when and how I did.

I grew up in Kwa Thema, a stone's throw from one of the gold mines towards the eastern edge of South Africa's gold reef, the mines whose lives peaked in my teenage years. The East Rand. It took me some time to realise it, but of course those mines – starting with Grootvlei and Daggafontein closest to my consciousness, and all the others along the two main reefs, were the mines that pumped out the gold on which not only the East Rand was built but the entire Witwatersrand too. And it then extended towards the south west, all the way into the Free State. And the industries that serviced mining, directly and indirectly, as suppliers, as lenders, as customers, were being built all over South Africa and were simultaneously building South Africa.

Those mines a stone's throw from Kwa Thema (and yes, stones were sometimes thrown) stood in a contrast to my own existence that I slowly began to understand. I played football in the dusty streets, usually barefoot, and when lucky, depending on circumstances, in soccer boots.

But while the material value of those nearby facilities entered our streets only minimally, for many of us there was a wealth of values we were taught and on which we would be able to build our lives.

Mine are those inculcated by my grandmother Dorothy Teke. She taught me that society and the world out there needs to be aware of what we stand for. And therefore, she told me, when I grow up, I need to put my stake in the ground and be resolute about what I want. It must be known what I stand for.

I have always yearned for greatness in everything I associate myself with. I wanted greatness for the Teke surname, greatness for my family, greatness for Malaza Street in Kwa Thema, greatness for Fred Habedi my Primary school, greatness for Kenneth Masekela High School, greatness for my tertiary institutions and yes, greatness, greatness, and greatness.

Today it is therefore no different with my association with the mining industry and the Chamber of Mines of South Africa. I yearn for the South African mining industry to continue on a journey to greatness. If we follow the right approach, our advocacy will take us in a direction that is to the benefit not only of the industry alone but, on balance, to the benefit of our society more broadly.

But, in my view, we have to acknowledge, perhaps more than the industry has done previously, including in its testimony to the Truth and Reconciliation Commission, the other side of that legacy. And we need to focus our minds even more than we have done so far, on what contribution we can make to address that legacy.

The enormity of the task that faces us in that regard is immense. In fact, there are some aspects that defy rehabilitation.

The lives of the tens of thousands of miners lost in accidents are gone forever. Many of those accidents need not have happened, and would not have happened, had we known and done what we know and do now. And while we can be gratified that we have reduced the annual number of fatalities by 86% in the last 20 years – 77 miners died in 2015 compared with 590 in 1993 – we need to continue in all seriousness in the quest for zero harm.

The same applies to the untold numbers lost to occupational disease, including silicosis and tuberculosis. Many of their identities are not even known to us as they have been returned home when they became too ill to work. Again, we can be gratified at the work being done by our gold companies to find fair and sustainable solutions to the challenges of silicosis. And the Chamber's health team is doing excellent work to address the excessive incidences of TB on the mines and in mining towns. What we are doing, though, is working towards achieving what should always have been the norm.

I want to pause here to note that, in all these cases, the progress we have made has been thanks to a particular methodology. That methodology has been joint and co-operative action between the industry, government, workers and their representatives. We often fight and disagree with each other about almost everything. But the key to progress has always been co-operation. I will return to this theme later.

But as we talk of human loss, as I complete my presidency of the Chamber, I want to salute all those women of South and Southern Africa who, over the past century and more, saw their husbands and sons going off to remote locations to go and search for better livelihoods in the mining industry. Some returned home gallantly every holiday to fulfil their family obligations. Some never returned home. Beyond the pain suffered by women as mothers, sisters and wives, I am encouraged that women are indeed taking a keen interest in mining. Some are employed in key roles, some are entrepreneurs and others are still searching for key opportunities for meaningful participation in the industry, and this is fully supported. We must acknowledge that the path for women in the industry has not been straight and smooth, and as employers it is incumbent on us also to establish a working climate and conditions in which women feel welcome and secure.

And this leads to another legacy of the industry which raises challenges that so far seem beyond our ability to repair. The migrant labour system was part of the foundation of the country's primary industries – mining and agriculture. Its adverse social and economic consequence became part of the fabric of our society. We have barely begun to even conceptualise what solutions may be.

But this doesn't mean there has been no progress. The Mining Charter has been an effective tool for addressing at least some of the industry's legacies. Although it has become fashionable for some to say that it has been a failure, the facts tell otherwise. The only people who will say that are those who have chosen to forget about our country's and our industry's history, or have chosen to avoid finding out about it.

Until the late 1980s, skilled jobs were denied to black miners. The last piece of job reservation law to go was that applicable to the acquisition of blasting certificates – the most core mining qualification. Most black miners had not had opportunities for basic literacy and numeracy skills.

It took 10 years for the proportion of skilled positions skilled by black miners to approach 20%. Since the advent of the charter in 2004 those numbers have risen to between more than 40% (the current charter target) up to 75%, depending on category.

Yes, there remains a way to go before those proportions reflect the country's demographics. But deliberate and steady progress has been happening, and it will continue.

There are other areas of progress too. Even by the end of the 1990s, close to zero goods and services were procured from black-owned companies. That situation today is transformed.

And for those who have forgotten, it is not a long time since up to 18 black mineworkers shared each bleak hostel room. That is another of our industry's reasons for shame. But the charter propelled us to a situation where, by 2014, in line with the charter target, almost every hostel dweller had his (or her) private bedroom. Those who say the charter has failed clearly did not themselves suffer the indignity of that lifestyle.

That is not to say that hostel living represents anything like the ideal. Our industry, and our country, still has a lot to do to create a more acceptable quality of life for all, and not only for miners. There are many communities where discontent appears to reign. As mining companies, we need to do more to engage with the communities that are our neighbours, ensure we prevent adverse impacts on those communities and, to the extent we are able, to contribute towards the betterment of lives there, even though we can only supplement the more central role of local, and provincial authorities and national government.

Mr Minister, the industry you now regulate has produced the best and the worst. It funded and made possible the worst political system in the history of the world, and it also produced some of the best entrepreneurs of our time, who built global mining houses, like the Oppenheims. It has also produced some of the best leaders of our time such as Cyril Ramaphosa, who not only negotiated our celebrated constitution, but who also helped to resolve international issues, such as when he stepped in to help Ireland with its negotiations

in the early 2000s. It has also produced people like former Vice President Kgalema Motlanthe and Gwede Mantashe, Patrice Motsepe of ARM and Siphon Nkosi of Exxaro to mention but a few. We are like a family whose children are always fighting, only to produce a boxing champion. We are proud of our achievements, but we can't be proud of our history.

It is time to change the course of our journey, so our children can be proud of us, and the history we are making for them.

Of course, the industry cannot exactly take credit for the formative struggles that those leaders had to fight over the years; they would no doubt say that the industry made their lives tougher, not easier. But the industry, or at least its more visionary leaders, played their part in opening the space in which subsequent events that liberated South Africa played out. Their original organisation, the NUM, has also had to face its own challenges, and the newer mineworkers' organisation AMCU has come to loom large. We are all having to learn to live and work with each other.

Last year saw the publication of the Farlam report. Reading it is to relive the horrors of those days of August 2012. We do not again want or need repeat the various attributions of blame that the report finds. Suffice to say that there were errors of judgment all round. –. And before any of us in the industry take comfort in the fact that only one company was involved, let us all remember that, given the confluence of events of that period, there but for the grace of God could have gone many of us. We all – the industry, the unions, the state, community leaders need to ensure that systems in place preclude the chances of a repeat of those tragic events.

This, and all the immense challenges we face, particularly around the social and environmental impacts of mining, behoves us to work together in partnership to address these.

Some years ago my predecessor Mark Cutifani helped initiate an industry dialogue with the Vatican, which has for decades taken an interest internationally in the social impacts of mining. That dialogue has extended to the Church of England.

And on 8<sup>th</sup> and 9<sup>th</sup> October 2015, Archbishop Thabo Makgoba brought it home to South Africa. He invited us to his residence and had a heart to heart conversation when key issues

related to the wellbeing of those mineworkers who enter the belly of the earth, and that of the communities around the sprawling opencast mines from which minerals are extracted. This was a great initiative that highlighted great observations but beyond that created an awareness of the number of citizens concerned about our industry. Safety, Health and Environmental matters need to be elevated higher in our consciousness.

We have to improve. Zero harm is not a fad. It is more, even, than an aspiration. It has to become a reality.

The same applies to BEE. We have done a lot. But we need to do more.

Mining cannot forever allow itself to be a focus of discontent and disdain from the rest of our society. But it remains one of South Africa's most important sources of investment, jobs, foreign exchange earnings, tax revenues.

The industry is the proverbial "whipping boy" of the 16<sup>th</sup> and 17<sup>th</sup> century. We acknowledge that we created our own legacies. Some were great and positive. But at the time we created the legacies that have become the proverbial rods for our own backs. We created Fanakalo, we created hostels, we separated breadwinners from their families. And we managed mines on which many workers died.

The journey to our greatness, cannot be carried out by one person alone or indeed, one group alone. It cannot be carried out by government alone, or the unions alone, or the industry by itself.

Optimising mining's contribution to this country, the neighbouring countries, our employees and their families, does not lie in litigation, mutual enmity and ongoing conflict. The road to a better future for all mining's stakeholders lies in collaboration and partnership.

We have to walk together, and we have to talk. Disagreement is not disloyalty, after-all as Africans we say *asiyi nganxanye singemanzi*, "Only water flows in the same direction."

This is especially important- mining is certainly not a sunset industry. Even our 130-year-old gold mining sector has huge potential for the future with the promising research and development into new mining methods, which itself can spawn a new set of industries – as it did 100 years ago.

In conclusion, ladies and gentlemen, as South Africans, we have earned the right to be optimistic, because we have triumphed over the worst adversity and are committed to working towards a better future for all.