

SKILLS DEVELOPMENT IN THE SOUTH AFRICAN MINING INDUSTRY

Fact sheet



**MINERALS COUNCIL
SOUTH AFRICA**



“South African mining companies invest in skills development of employees in a number of ways.”

QUICK FACTS

**R7.5
BILLION**



About R6 billion invested in skills development in 2018

13,000



tertiary education learners supported by the sector from 2013 to 2018

10,000



More than 10,000 apprenticeships from 2013 to 2018

Skills development in the mining industry is governed by the Skills Development Act 97 of 1998 and the Mine Health and Safety (MHS) Act 29 of 1996. The Skills Development Act also governs the National Skills Authority and Fund, the levy-grant scheme, the Sector Education and Training Authorities (SETAs), labour centres and the Skills Development Planning Unit.

South African mining companies invest in skills development of employees in a number of ways, including learnerships, bursaries, portable skills (in mechanical, electrical and construction trades), internships and adult education. Providing skills to employees is vital to the long-term success of the industry. It contributes towards improving safety and productivity, provides opportunities for personal development so that companies can attract and retain suitable employees, and is a vehicle for transforming the workplace.

The industry also supports training and skills development in the communities in which it operates, which is important to ensure socio-economic development beyond that of mining.

The Mining Qualifications Authority (MQA) is the SETA for the mining industry that administers and develops learning programmes for the sector. The MQA was initially established out of the MHS Act in January 1997 and was then designated as a SETA in March 2000. The Minerals Council is on the Accounting Authority/Board of the MQA. Mining companies are required to submit their skills development plans and annual training reports to the MQA; and also pay 1% of their payroll as a skills development levy. The MQA receives 80% of the 1% skills levies that companies contribute, while the National Skills Fund gets the remaining 20%. The MQA portion is divided into legislated amounts for administration, QCTO as well as for mandatory and discretionary grants. Mining companies can also attract discretionary grants from the MQA for specific learning programmes. The mining industry has contributed levies in excess of R1 billion per annum over the last five years.

SKILLS DEVELOPMENT AND THE MINING CHARTER

The Mining Charter requires that all mining companies invest 5% of annual leviable payroll into skills development. This 5% is not inclusive of the 1% skills levy that companies are required to contribute. The Mining Charter skills development spend in the sector equated to more than R5 billion per annum over the last five years.

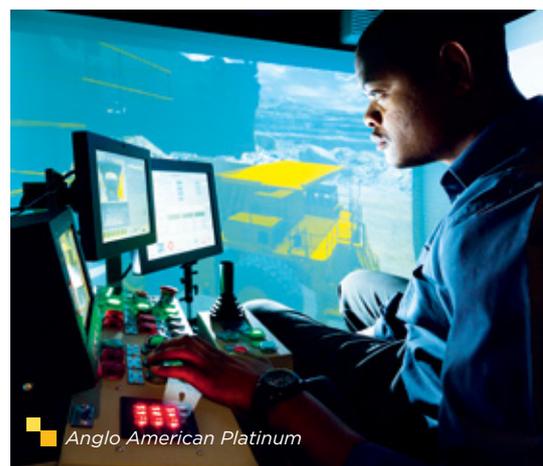
Companies are required to submit social and labour plans (SLPs) to the Department of Mineral Resources to report on their compliance with the Mining Charter as a prerequisite for the granting of mining rights.

In 2017 mining companies invested approximately R6 billion on skills development.

CERTIFICATES ISSUED BY THE MINERALS COUNCIL IN 2017

The table below indicates the number of Minerals Council certificates issued over the past four years. Fluctuations in the number of candidates who have sat the examinations over the four-year period were driven by demand from various mining companies. This is indicative of the economic fluctuations experienced by the sector. The number of Minerals Council examinations are expected to decrease substantially once these qualifications have been formally registered with the QCTO.

| Certificate | 2017 | 2016 | 2015 | 2014 |
|--|------------|------------|------------|--------------|
| Certificate in Advanced Mine Surveying | 36 | 73 | 63 | 91 |
| Certificate in Advanced Mine Valuation | 37 | 48 | 54 | 75 |
| Certificate in Advanced Rock Engineering | 3 | 6 | 7 | 4 |
| Certificate in Basic Mine Sampling | 78 | 99 | 123 | 164 |
| Certificate in Basic Mine Surveying | 61 | 134 | 143 | 156 |
| Certificate in Elementary Mine Sampling | 116 | 57 | 87 | 64 |
| Certificate in Elementary Mine Surveying | 33 | 92 | 120 | 141 |
| Certificate in Mine Environmental Control | 19 | 21 | 12 | 29 |
| Certificate in Radiation Protection Monitoring Screening | 95 | 145 | 102 | 181 |
| Certificate in Rock Mechanics | 17 | 26 | 18 | 25 |
| Certificate in Strata Control | 96 | 99 | 71 | 96 |
| Intermediate Certificate in Mine Environmental Control | 112 | 60 | 64 | 51 |
| Certificate in Mine Survey Draughting | 15 | 13 | 26 | 30 |
| Total | 718 | 812 | 890 | 1,107 |



Anglo American Platinum



Sibanye-Stillwater

HIGH-END SKILLS DEVELOPMENT

The development of high-end skills is seen as a critical factor for the advancement and sustainability of the mining sector. The mining industry has consistently, over many decades, supported higher education infrastructure developments, provided bursaries and scholarships, supported teaching and administrative costs, and sponsored thousands of students at tertiary educational institutions across the country.

The mining sector prides itself that, over the past five years, it has supported more than 13,000 students by providing them with full bursaries to study at various tertiary institutions. During the same period, more than 6,000 students and graduates participated in mining industry workplace experiential learning programmes, and were provided with learnerships and internships in workplaces. This training and development spend in the higher education environment has come at a cost in excess of R1.5 billion.

The commitment of the mining sector to continue training and developing learners in tertiary education is demonstrated through its intention to train and develop a further 24,000 learners over the next five years. This is being done by providing full bursaries and affording tertiary education graduates with opportunities for internships and much needed workplace experience.

Support is provided to tertiary learners in the fields of mining engineering, general engineering, management sciences and social sciences. About 90% of the support is in the mining engineering and general engineering fields while approximately 10% is in the management and social sciences areas.

ADULT EDUCATION AND TRAINING IN THE MINING INDUSTRY

Adult Education and Training (AET), previously known as Adult Basic Education and Training (ABET), continues to be a mainstay of skills development offerings in the mining industry and local communities. The number of learners entering this programme has been steadily declining over the last few years, an indication of the improvement in the skills levels of employees in the sector.

PROVIDING TECHNICAL SKILLS AND ARTISAN TRAINING

Artisans are sought after around the world, including South Africa. Artisan development is key to improving our economy and creating employment for youth. The mining sector, within which artisanship is a core skill, realises this importance and has, over the years, trained a large number of artisans to meet ever-growing demand.

In the period 2013 to 2017, the mining industry enrolled about 10,600 artisans in training and development at an overall cost of about R300,000 per learner and a total investment cost of over R3 billion. It is envisaged that, over the next three years, about 8,000 artisans will enrol in artisan training and development.

Apprentices enrolled in artisan development are trained as:

| | | | |
|----|-------------------------------|----|-----------------------|
| 01 | Diesel mechanics | 07 | Instrument mechanics |
| 02 | Electricians | 08 | Boilermakers |
| 03 | Fitters (including machining) | 09 | Welders |
| 04 | Fitters and turners | 10 | Goldsmiths |
| 05 | Millwrights | 11 | Auto electricians |
| 06 | Rigger ropemen | 12 | Maintenance engineers |

“The mining industry has consistently, over many decades, supported higher education infrastructure developments.”



enrolled in mining industry training and development at an overall cost of about R300,000 per learner

TRAINING OF WOMEN IN MINING

Overall representation of women in the mining sector stands at 12%, as at 2018.

The 2004 South African Mining Charter set a target of 10% women in core mining jobs by 2009. By 2018, overall representation of women in the mining sector was 12%. As the industry seeks to encourage the participation of women at all levels, special focus is placed on training and development of women.

The majority of women employed in the mining industry are qualified to fill various positions:

- top management (16%)
- senior management (17%)
- professionally qualified (18%)
- skilled technical professions (18%)



 Kumba Iron Ore

“Artisan development is key to improving our economy and creating employment for youth.”

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