

Govt committed to working with mining industry

Government remains committed to working with the mining industry to enable it to achieve optimal returns on investment in a manner that will serve the best medium and long term interests of all South Africans.

Acting Deputy Director General in the Department of Mineral Resources Joel Raphela, who delivered a speech on behalf of Minister Susan Shabangu, said the department recognised the number of binding constraints that were hindering the growth and competitiveness of the industry.

These included the shortage of key infrastructure such as rail, port capacity, water and energy as well as the shortage of skills.

Raphela said the multi-year infrastructure programme announced by President Jacob Zuma in his February 2012 State of the Nation Address was going to be a key breakthrough in addressing some of the challenges faced by the industry.

"Brick by brick we are getting to the bottom of this issue and we are making progress and clearly we can do more to get the ticking time bomb of unemployed and unemployable youth off our townships and rural streets," Raphela told the opening of the Mining Lekgotla currently underway in Midrand.

Confident competitiveness will be regained

The summit brings together over 1000 representatives of government, labour and the mining industry to form a consensus on a way forward for the country's mining industry.

Raphela said the department was convinced that these binding constraints on the operational side of the industry would ease over the next year or two and that South Africa will again regain its competitiveness.

"The beneficiation policy approved by Cabinet last year will be a milestone in our recovery, contributing to jobs, value-addition and the further industrialisation of our country," Raphela added.

Improvements can already be seen - the 2011 Fraser Institute mineral competitive index ranked South Africa 54 out of 93 countries, a 13-place improvement compared with 2010.

This improvement, according to Raphela is the product of the department's unrelenting hard work and the plethora of Mining Industry Growth Development and Employment Task Team (MIGDETT) and government initiatives.

Raphela said they were working around the clock to rectify the relationship amongst mines and communities in areas where mining operations take place. The objective, he said, should be a win-win situation for all sides.

Mapping the way forward

The Lekgotla will map a way forward on how to improve the global competitiveness of the South African mining industry and its contribution to the country's economy.

CEO of the Chamber of Mines Bheki Sibisi said the conference would ensure the views, concerns and visions of the attendees are heard by fellow stakeholders.

Sibisi said that all the representatives would identify and deal with issues such as risks, competitiveness and growth opportunities.

Other issues which are expected to be unpacked at the Lekgotla include the role of the youth in the industry, the options for

nationalisation, acid mine drainage, beneficiation opportunities, leveraging on the BRICs partnerships, globalisation, carbon taxes and related environmental issues as well as health and safety challenges.

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