

BUILDING ON THE CONTRIBUTION OF MINING SINCE THE ADVENT OF DEMOCRACY

MINING LEKGOTLA 2014

13 AUGUST 2014

KHANYISILE KWEYAMA

- Honourable Minister Advocate Ngoako Ramatlhodi
- Honourable Minister Susan Shabangu
- Deputy Minister Godfrey Oliphant
- Our partners in the Mining Lekgotla the Department of Mineral Resources and the National Union of Mine Workers
- Senior government officials
- Captains of the mining industry and labour
- Members of the media
- Ladies and Gentlemen

Good morning and welcome to this year's Mining Lekgotla; a place where we as industry, together with our partners in labour and government, come together to engage, learn from one another and plan a way forward for mining in South Africa.

We initiated the Mining Lekgotla three years ago as a platform for strategic conversation for stakeholders in the mining industry. This Lekgotla is open to the general public. Through the Lekgotla, we provide an opportunity for all stakeholders to be heard and for them to contribute their views. We commit to ensuring that the views expressed at this Mining Lekgotla are channelled to appropriate industry structures such as MIGDETT. Through this, the industry will continue to engage on matters raised here and provide feedback where possible at the next Lekgotla.

'Building on the contribution of mining since the advent of democracy – the past we acknowledge and the future we build together' is not only the theme for this year's Lekgotla but is perfectly apt for both our industry and country during this important time. Not only is the deadline to meet the Mining Charter commitments upon us this year, but we also commemorate the 20th anniversary of democracy in South Africa. These two milestones present the mining sector with a unique opportunity to take an introspective look at what we have achieved over the past two decades, whether we have delivered on the promises that we made when we first committed to our democracy and if what we have done so, is it enough.

I am sure that we will realise during the next few days' discussions that the old adage which warns us to prepare for the future is completely true in our case as an industry. We know that what we do today influences the way we work and operate as an industry in the future. Over the past two years, this has become more evident and realities have come to the fore in a way that we would never have imagined twenty years ago.

Who would have predicted that labour unrests would cripple South Africa's platinum sector for half a year? The labour unrest has indeed provided a definite cause for reflection. And this reflection is important because it compels us to interrogate ourselves through an honest, collective lens. One of the most important outcomes of this introspection must surely be the question of lessons and learnings that have emerged from these recent events in particular.

The past two years have been our industry's toughest years from a reputation and credibility perspective and we have realised a great deal about ourselves, the challenges we face and the legacies we have inherited, which we have not adequately addressed as an industry. We find ourselves at a crossroads where on the one hand, we need to address challenges around labour relations, operational competitiveness, a volatile market and an increasingly divided national sentiment. On the other hand, we need to continue growing the industry, driving meaningful community and infrastructure investments and developing partnerships and sustainable stakeholder relations. These are not issues that can be 'quickly' fixed overnight. It should also not be any one entity's responsibility to find solutions to these complex challenges.

Successfully addressing these challenges will require

- First, that we identified and deal with them head on;
- Second, that their intricate nature, background and foreground be fully understood by all relevant parties; and
- Thirdly, that the potential solutions are in line with global best practice, and that we, as an industry, monitor and support these resolutions with a collective vigour, led by the objective of delivering sustainable outcomes and successful multi-stakeholder engagements.

After all, it is our democratically ordained responsibility to continue to contribute to our country's next 20 years of development, growth and prosperity.

Some of the key questions that should inform this process would be;

- How has the mining industry contributed to crafting and taking a positive African mining narrative forward?
- What stumbling blocks have we seen?
- What will our picture of success look like?

During the next two days, I would like us to advance these discussions and help each other understand what needs to be done, and what we can do together to achieve these goals.

I am proud to say that we have brought you speakers of a very high calibre for this Mining Lekgotla this is motivated by our vision to drive critical and rational dialogue so that we emerge with logical and practical solutions to the challenges and dynamics this sector faces.

Our programme for this year is a clear demonstration that indeed we are putting South Africa first, yet recognising that this sector operates and is highly influenced by global markets together with our African counterparts.

It is therefore important that we speak about promoting growth and transformation, resolving infrastructure constraints, promoting innovation and discussing ways to make our productivity more cost competitive. We must also use this platform to 4 renew our commitment to sustainable development in mining, encourage greater beneficiation and find ways to improve the regulatory framework.

As partners we can proudly say; the Lekgotla is a mining gathering that is driven by all key role players in the South African mining industry and therefore should we emerge with concrete and implementable plans for the sector to move this country forward.

In closing I would like to leave you with the words of the great Mahatma Gandhi who once said, "The future depends on what you do today". We are here today because of what we created twenty years ago; so let us reflect on this history, take what we need from it and focus on creating the future that we want for our people and for our country.

I thank you.