



SA produces more mining skills, but can't keep up with growth, poaching

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While the number of mining engineering-specific graduates South Africa produced in 2006 showed a vast improvement on previous years, at 526 graduates, the figure was still shockingly low, given the sector's growth, combined with the growing threat of global skills poaching.

Johannesburg-based Landelahni Business Leaders said on Tuesday that the biggest skills risks for the local resources sector were scarcities at the "shaft level", including artisans, engineers and mine managers.

CEO **Sandra Burmeister** said that she had never seen too much concern from mining companies about skills at the head office level, but rather at the production echelons.

Interestingly, however, executives had seen bigger pay rises than artisans, engineers and mine managers. "I've very definitely seen a big increase in salaries there, but the biggest increases have been at the executive level," Burmeister told reporters at the launch of Landelahni's *2008 Mining Research Report*.

She detailed that the number of artisans that had been through training and passed in South Africa shrank to 3 222 in 2006, which was about one-quarter of the figure in 1986.

To train the amount of artisans that the country needed would require significant investment from both the public and private sectors, Burmeister said.

She pegged the amount needed at R14,4-billion over three years to train 50 000 artisans, using data from a 2007 Manufacturing, Engineering and related Services Education and Training Authority report.

The artisan pass rate in 2006 stood at a paltry 42%, or 3 222 passes.

"We should not just be training for current needs in terms of economic growth, but also to replace an ageing workforce," stated Burmeister.

In March, Chamber of Mines president and Exxaro CEO **Sipho Nkosi** declared the skills issue "a national crisis".

"People are emigrating and we need to create the right climate for people to want to work in South Africa," Nkosi said at the time. "We pay people, we develop them and they go. This is real. It's facing us as a country and we need to deal with it," he insisted.

Nkosi's statements were echoed by the boss of the world's second-biggest platinum producer.

Impala Platinum CEO **David Brown** in February described South Africa's skills issue as the "single biggest issue facing the country and one which is a major, major area of concern".

The industry, meanwhile, had recognised the skills shortage, and was working to alleviate it.

"The mining industry has responded to the skills challenge, and has increased training spend significantly," said Burmeister. "The mining industry is ahead of all other industries, in terms of the number of people being trained at almost every level."

However, the skills challenge was certainly not yet over, but would likely continue for the next ten years.

One of the recommendations that Landelahni made was that executives should be incentivised to increase skills across their businesses, rather than simply focusing on the bottom line.

Landelahni Business Leaders is part of the Landelahni Recruitment Group, and specialises in top management level appointments.