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## Employment equity crisis looms large

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[miningmx.com] -- TWO years into a legislated transformation, the South African mining industry is lagging other sectors in employing blacks at senior levels, according to recent research. The sector also faces a shortage of engineers of all races. Not enough is being done to encourage youngsters to join an industry perceived to be in decline, with relatively low wages and a struggle to move higher in the organisation.

These are the findings of a six-month research project of companies representing 80% of the mining industry by consulting company, Landelahni Group. Its clients include Impala Platinum, Harmony Gold, African Rainbow Minerals and Lonmin. "This research shows the industry is making some efforts, but they just not doing enough as regards empowerment and skills," said Sandra Burmeister, CEO of Landelahni.

The Mining Charter became effective in May 2004 laying out targets that 40% of management should be black by 2009. It also said 10% of staff must be women, and 26% of companies' equity should be black-owned by 2014.

Looking at all business sectors, black representation at top management level had nearly doubled to 23% by 2004 from 2001. Senior management representation climbed 10 percentage points to 28%. Representation stands at 53% at the professional and middle management level.

By 2005, representation in those categories specifically in the mining sector stood at 18%, 29% and 27% respectively. Black representation on the boards of mining houses has leapt from 0,05% to 37% since 2001, research showed.

Female representation in the mining industry is just appalling. The picture is quite different when looking at women represented at the higher levels of mining.

"Female representation in the mining industry is just appalling," Burmeister said. Women are generally found in corporate offices in support functions like secretaries. The number of women – let alone black women -- in high-level management positions could be counted on the fingers of one hand, she said. One of the reasons for women not managing mines might be the remoteness of the operations, situated near small tight-knit towns where schooling, health and



Sandra Burmeister,  
CEO, Landelahni

social networking opportunities are scant, she said.

A Chamber of Mines official said it was unfair to compare the mining industry to other sectors.

"It is an unfortunate comparison to make. The mining industry has its own unique legacy. It should be judged from where it has come from over the past two years. It has come a long way," said Vusi Mabena, the chamber's skills development advisor.

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"Women were traditionally excluded completely from mining, but there are many efforts now to bring women into the sector. There are women who own mining companies," he said.

There was little excuse for mining companies not hiring women engineers because 23% of the registrations at the Engineering Council in the past couple of years were women, Burmeister said.

A shrinking number of graduate engineers, despite robust admissions, is a primary challenge facing the mining sector. In some disciplines less than five percent of those enrolled manage to graduate, with the largest exit coming after the first year of studies.

The number of bursaries to study engineering offered by mining companies has fallen by up to 200% since the 1990s, Burmeister said.

Mining companies need to put in place graduate programmes that go beyond just doling out bursaries. These programmes would need to give each student the support, guidance and career planning to make sure they stayed with the company.

It appeared companies were prepared to poach qualified engineers and mining managers from each other rather than invest money and time in bursary programmes, Burmeister said.

"Demand for engineers very definitely exceeds supply," she said. The problem was exacerbated by a shortage of engineers in other sectors of the growing South African economy, as well as foreign companies luring experienced engineers with attractive salaries.

A lack of career mobility and low salaries played a big role in skilled people leaving mining.

Mabena said many of the freshly qualified youngsters coming into the mining industry wanted affluent lifestyles that were not suited to the sector.

"The majority of those do not want to live in the shadow of the headgear. In my experience, we are not attracting the kind of people who want to stay in mining," he said.

The Chamber was looking at subsidising studies for children from mining communities because of their understanding of, and comfort within, the environment in the hopes that they would find it easier to adapt to live in mining towns.

Mining companies clung to the belief that experience of the sector made for competent managers, Burmeister said. Successful managers from other sectors could easily adapt to managerial roles in mining, she argued.

"They are hiring very few people from outside, which talks to the exclusivity of

the sector.

“While there are some shifts to best practice, there is still a mindset of exclusivity in the industry, which means that although they attract top people from outside, these people don’t stay very long,” she said.

Executives joining the mining industry from other sectors tended to leave in about 18 months, citing the conservative management approach by mining companies as the major factor for their departure.

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