

# ARM, Harmony meet EE targets

South African companies across the board are making significant progress in ensuring employment equity. Why then is the mining industry in particular trailing behind in most sectors? Laura Cornish reports.



**Sandra Burmeister:** "The number of students applying to study engineering degrees is diminishing yearly."

Landelahni Business Leaders, the African partner of executive search group Amrop Hever, released 2005 figures illustrating overall black representation in South African companies.

In a presentation targeted specifically at the mining industry, the statistics were used by way of comparison to indicate mining's struggle to keep pace with the Mining Charter's goals, and with other SA businesses.

Black representation in top management across the spectrum of South African companies has increased from 12 to 23%, senior management from 18 to 28% and professional and mid-management from 44 to 53% between 2001 and 2004.

But mining is trailing by at least 5% at most levels, with the exception of mid-management which has a 27% black representation.

However, mining has seen a significant shift over the last five years at a non-executive director level: statistics reveal a jump from 0.05% to 37%.

According to Landelahni CEO, Sandra Burmeister, the problem is at the academic level. The number of students applying to study engineering degrees is diminishing yearly, particularly mining-focused degrees.

Latest statistics (2004) indicate that there has been a steady downward trend in engineering students graduating at universities and technikons since as early as 1998.

2004 only saw about seven mining engineering students graduate, and the amount of mine management certificates issued from the engineering council between 2001 and 2004 is still not available, again highlighting the lack of interest in the field.

Burmeister cites the reasons for graduation declines as a lack of offered bursaries in the field, by both tertiary education providers and potential company hirers. Also, mining has been labelled as a shrinking industry. "The perception that mining is a conservative and declining industry hinders the recruitment of quality designated persons," Burmeister points out.

Coupled with relatively static changes at board level (excluding BEE additions), and a continuing shortage of skills moving forward, the mining industry has, and is set to continue, trailing the rest of the market.

The lack of mobility in the industry over the last 10 years has caused earnings in the sector to be skewed, especially at an executive level. And without sufficient graduates, skills will have to be imported to meet future needs.

Burmeister says that only two companies have met their employment equity targets and made significant inroads at both a corporate and mining operations level – African Rainbow Minerals and associate company Harmony. ○