

COLLOQUIUM ON BENEFICIATION

27 August 2014

INTRODUCTION

Focus on Metal and Engineering Industry. [This Industry cannot be understood without an understanding of the role and impact of the Metal and Engineering Bargaining Council (MEIBC)].

Metal and Engineering Industry - Industry in decline

AN OVERVIEW OF THE TYPES OF PRODUCTS MANUFACTURED

The following is a list of the vast number of sectors within the Industry:-

Producers of Iron and Steel

Manufacturing Engineering

General Engineering

Building and Repairs to Ships and Boats

Construction Engineering

Electrical Engineering

Lift Engineering Industry

Plastic Industry

NOTE: The diverse nature of the Metal Industry, coupled with the centralised, 'one-size-fits-all' nature of the functioning of the MEIBC, lies at the root of an understanding of the dilemma manufacturing in SA finds itself in. Any attempt to address this challenge will not succeed unless the MEIBC is unpacked and transformed.

AN OVERVIEW OF THE BASIC STAGES OF MANUFACTURING

The Industry range from primary steel producers to converters (manufacturers, assemblers) i.e. raw material into finished products. The wide range of products and/or processes make it impossible to give an overview of the 'basic stages of manufacturing'.

A PERCENTAGE BREAKDOWN OF THE COST OF YOUR KEY INPUTS (eg ENERGY, LABOUR, MATERIAL, TRANSPORT) IN RELATION TO THE TOTAL COST OF PRODUCTION

- The big vs small debate
- Who governs the Industry
- SMME's
- Raw materials
- Transport costs
- Energy
- Finance costs
- Labour costs

YOUR CONTRIBUTION TO DOWNSTREAM BENEFICIATION

Big – price drivers – automatised

Small – price takers – labour intensive

FACTORS THAT ARE CRITICAL TO ENSURE LOCAL BENEFICIATION IN THE INDUSTRY ANY FACTORS THAT ARE CRITICAL TO ENSURE GLOBAL COMPETITIVENESS IN THE INDUSTRY

The future of the Industry

Can the Industry be saved?

Industry's challenges

Industrial policy:-

- reverse current de-industrialisation
- strategic competitiveness advantage
- treat manufacturing as critical wealth creator
- deal with global competitiveness
- youth: from a liability to an asset
- price of manufacturing
- understanding labour
- the 'big vs small' debate