

**Address by the Deputy Minister of Mineral Resources, Honourable Godfrey Oliphant, MP, on the occasion of the**

**Debate on Budget Vote 29: Mineral Resources**

**E249, Parliament of the RSA**

**15 May 2018**

Honourable House Chairperson,

Honourable Minister of Mineral Resources, Mr Gwede Mantashe

Ministers and Fellow Deputy Ministers,

Honourable Chairperson, Comrade Luziphfo and Members of the Portfolio Committee on Mineral Resources,

Nkosi Mandela and all other Traditional & Religious Leaders,

Honourable Members of Parliament,

Leaders of Business and Trade Unions,

Representatives of Civil Society and Communities,

Distinguished Guests,

Ladies and Gentlemen,

Good Morning,

This Budget Vote before us today represents numerical expression of our Policy implementation proposals. It is clearly inadequate for a critical economic department as the DMR but we will do our best to execute our mandate under the circumstances. We therefore request Honourable Members of Parliament to support this Budget Vote.

My speaking time in this debate has also been reduced by over 30% but as a former boy scout let me do the job and complain thereafter.

It is on occasions such as these we remember and salute the very many brave men and women who fought for and sacrificed their lives in our struggle for democracy. Stalwarts and veterans such as Mama Winnie Madikizela-Mandela, Former Ambassador George Nene and Former Minister Zola "Gentle Giant" Skweyiya who passed on last month to name but a few.

How fortuitous that in the year Mama Winnie Madikizela-Mandela passed on we also celebrate – not only as a country but the world as well - the 100th anniversary of the birth of Tata Nelson Rolihlahla Mandela and Mama Albertina Sisulu. It would be remiss of us as a nation, if we did not use this as an opportunity to reflect, appreciate and live the humble service as espoused by these giants of our struggle.

That we celebrate the centenary of Madiba's life this year is a clarion call to each and all across the globe that a life is worth celebrating when it is founded on ethical values, and dedicated to the fight the liberation of mankind. Madiba reminded us that (and I quote),

**“For to be free is not merely to cast off one’s chains, but to live in a way that respects and enhances the freedom of others.”** (Close quote)

Last month on 27 April we celebrated 24 years of democracy which also marked the end of over three hundred years of colonialism, oppression, segregation and white minority rule. The inauguration of a democratic dispensation in our country enjoined us to work together tirelessly, as a nation, to eradicate poverty, unemployment and persistent inequality in our society.

The month of May is also Workers’ Month, and it is only appropriate for me to use this opportunity to pay respect to our nation’s working population, to honour their daily contributions to the nation’s wealth and welfare, and to also honour their hard work and dedication towards building the prosperous future we aspire for our society.

We also wish to congratulate the bus drivers’, their unions, employers and all other role-players on reaching an amicable wage settlement.

As an ex-mine worker myself, this is not merely an expedient statement from a political platform, but rather, an expression of my deep-felt sympathy and appreciation for what our workers do on a daily basis. Whereas our democratic South Africa has done much to recognize workers’ rights and to enhance their living standards, there is no doubt that we still have more to do.

**From a minimum wage to a living wage. From unsafe working and living conditions to decent accommodation and zero harm environment.**

We need to make sure that we eliminate work place prejudices, and in particular we need to ensure gender equality in terms of access to opportunities and workplace rights across all industries. Most significantly, our focus should be on the elimination of “working class poverty.”

Ladies and Gentlemen,

I am happy to report success in the matter relating to ex-mineworkers.

To date we have a reliable database of over a million current and former mineworkers to work from; qualifying claimants are paid-out on a weekly basis and in the last 12 months over 10 000 have been paid with a value of over R250 million. We also wish to commend the Silicosis Class Action participants for their successful settlement of over R5 billion for specified gold mineworkers. There is now over R20 billion available to ex-mineworkers in the form of medical compensation, pensions and provident funds and recently Harmony reported about 13 potential millionaires amongst their former mineworkers. A figure we will verify and celebrate.

Four special clinics for mineworkers have been completed in four provinces to attend to their free medical benefit examination plus another 7 in the SADC labour sending areas such as one in Botswana, and 2 each in Lesotho, Mozambique and Swaziland. We want to thank the Global Fund for these One Stop Service Centre

The Logistics Coordinating Centre is also up and running and we want to thank the Chamber of Mines for providing office space and the Gold Working Group for funding the operations and the staff for their sterling work.

We obviously need to accelerate the programme and thank the collaboration between the Department of Labour, Department of Health and the Department of Mineral Resources on the one hand and on the other, the Chamber of Mines, Gold Working Group, Trade Unions such as NUM, NUMSA, AMCU, UASA and Solidarity for their excellent cooperation and in particular we also wish to recognize all international donor funding that supported this programme.

Lastly, at the end of this month we will be celebrating yet another milestone in Kimberley where the former zama-zamas now called the Kimberley Artisanal Miners have two mining permits that we issued on 30 April 2018, successfully negotiated a tailings mining resource TMR (dump) from Ekapa Mining; and also have access to 500 hectares of diamondiferous ground called floors to mine for themselves. Some of them are already properly licenced to trade and deal in rough diamonds.

We, Minister Gwede Mantashe and I are challenged to focus on the revival and prosperity of the Mining sector. The masterpiece of our corrective action plan should be to realize what His Excellency, President Cyril Ramaphosa said in his inaugural SONA address, (and I quote), "Mining is another area that has massive unrealized potential for growth and job creation." (Close quote).

Honourable Members,

Let me pause here to recognize and welcome the leadership of Honourable Minister Samson Gwede Mantashe to Team DMR and applaud him for his swift and decisive leadership displayed in this short time since he joined us.

It is a fact that South Africa remains a resource-rich country. So, the mining sector has been and continues to be a significant player in our nation's socio-economic fortune. It is equally true that the mining sector has had serious setbacks in the recent past, and it is our collective responsibility to revive its reputation, re-organize its modus operandi, and to ensure its rightful contribution to the growth of our economy which must be inclusive and sustainable.

In this process, we face a twin track and parallel challenge. On the one hand it is a national imperative that we focus on the ways and means of unlocking the massive potential of the sector whilst on the other hand we deal with the outstanding structural issues facing the industry.

Alongside this task, we need to operationalize effective mineral beneficiation policies.

Whilst the broad beneficiation policy and its integration into the country's industrialization strategies are in place, we need to focus on specific and near-term beneficiation opportunities.

In this regard, I would like to suggest that we also focus on low hanging fruit beneficiation prospects such as Zinc, Platinum, Chrome Manganese, Diamonds amongst others.

In highlighting the beneficiation potentials for the above commodities I cannot over-emphasise the importance of energy security. It is also vital to recognize the role that energy availability and reliability play in unlocking mineral beneficiation. As such, Eskom, and more broadly our national energy policies, need to be aligned with mineral beneficiation strategies. In brief, Honourable Members, we need to identify opportunities for beneficiation and at the same time, remove all obstacles that impede effective beneficiation. Clearly, we need to focus far more on 'doing' and 'implementing' beneficiations rather than debating it.

Another major opportunity for job creation in the mining sector is the rehabilitation and environmental restoration of previous mining operations. It is common knowledge that South Africa has over 6000 derelict and abandoned mining sites. It is reasonable to suggest that the rehabilitation of these sites could well offer opportunities for creating jobs and livelihood. It is also easy to imagine that a national programme of environmental rehabilitation of the old mines could well generate 1000s of job opportunities. In many of these mining sites, the rehabilitated land could be further used for agriculture and other economic activities.

At the same time, a shift towards concurrent rehabilitation alongside mining operations will significantly expand employment creation and future skills development in the sector. The Minister has given the greenlight to get going in this regard and we are preparing to roll out pilots in certain areas with a view into a festival of Rehabilitation activities around the country.

Honourable Chairperson, let me conclude with another of my favourite quotes from Nikolai Ostrovsky in his book, How the Steel was Tempered,

***“Man’s dearest possession is life. It is given to him but once, and he must live so as to feel no torturing regrets for wasted years, never know the burning shame a mean and petty past; so live that, dying he might say:***

***All my life all my strength were given to the finest cause in all the world – The fight for the liberation of mankind.”***

Thank You