**PRESS RELEASE**

Mining remains Africa’s biggest hope

***30 June, 2015:*** *Given the level of South Africa’s mineral resources, its current skills base, the infrastructure available and its prime location, developing the local mining industry on a fast-track basis remains the best opportunity for the country to achieve a more powerful and consistent growth rate of 6% by 2030, as recommended in the National Development Plan.*

The mining industry has the advantage of having the potential to create a positive spin-off on the downstream supplier side, contribute to the development of local communities and improve the quality of life for all. This entails an expanded economic infrastructure attendant to large mining projects, varying from transportation, water supply and power generation links to housing, sanitation and related urbanisation, as well as further industrial expansion projects.

The mining industry played a vital role in establishing the South African economy, and has ensured the continued success of many companies as well as growth in skills and expertise in local players such as Hatch Goba. “Many professionals who cut their teeth in the South African industry have become global players who compete at a global level. The continued high standards in South Africa’s higher education, including engineering, has a lot to do with such successes,” **Trueman Goba**, chairman of Hatch Goba, comments.

“In Africa itself, it remains a benchmark – not only in terms of mining and engineering services, but also in related fields such as project and construction management. South Africa has been at the forefront of introducing new technologies and ways of doing things differently that have assisted in advancing the mining industry on the continent and globally,” Goba highlights.

**Complex challenges**

However, due to various challenges, the South African mining industry remains a complex and difficult one for companies to operate in, particularly as these cut across so many other sectors, including increasing costs during periods of low demand and export prices, community welfare and the need for development and social responsibility, as well as skills shortages.

“On the other hand, although these seem to be daunting, and partly due to the existence of these excellent companies, there have been some significant successes, such as in delivery of capital projects, operations, corporate social investment and the image of the industry generally, especially in respect to health and safety,” Goba argues.

It is also critical that both trade unions and the government have an accurate perception of the role and importance of the South African mining industry, from investment and providing employment with improved health and safety to complementing government’s role in uplifting local communities indirectly and, in some cases, even directly, together with ongoing training and skills development, and through that, improved quality of life. “The South African mining industry has gone a long way to adapt the way that it mines, as well as the way it conducts its business,” Goba points out.

**Rapid change**

Such change is inevitable, especially given the rapid pace of technological change. In the current context, the South African mining industry is reportedly in the process of mechanising, partly as a means of making mining safe and viable, particularly where resources are located at ultra-deep levels. “This should ensure that mining continues to contribute to South Africa’s legacy. We have to appreciate the enormous mineral wealth that South Africa has been endowed with, and that if revenues are utilised effectively in providing efficient services such as in education particularly, that opportunities will be maximised,” Goba emphasises.

These opportunities are particularly abundant in Africa, where a lot of the continent’s mineral wealth remains untapped due to issues such as poor logistics imposed, in some cases, by remote locations and lack of infrastructure. However, the untapped mineral resources in Africa will be key to Africa’s own future growth and development. Abundant steel and coal will be needed to build and power cities for Africa’s future and the concomitant demand for more services and improved quality of life.

“The mining industry is both a critical enabler of economic development that is required on the continent, as well as a source of demand for new infrastructure and sustained modernisation. This does not only require countries to invest heavily in infrastructure programmes, but also that the divide between the public and private sectors is bridged,” Goba notes.

**Different dynamics**

Where increased project funding is required, it is inevitable that governments and companies need to be more exposed to the different dynamics in their respective spheres of influence. This is especially critical in operations where constraints facing the mining and construction industries are operating under, such as in South Africa at present.

“It is hoped that leaders of various stakeholders will find it possible to consider local communities’ needs for accelerated development, as well as make the necessary but difficult choices while taking the lead in doing what is best for society in the long term,” Goba adds.

While growing the South African mining industry is seen as the best chance to grow the economy, many other factors have to be aligned as well. These include the various recommendations included in the National Development Plan, many of which are already prioritised in the government’s medium-term strategic framework.

“Of all of these recommendations it will be imperative for accelerated progress that leadership of all stakeholder parties is enhanced, and that all stakeholders are kept in the loop to form a social compact which will see the Vision 2030 becoming a comprehensive plan for the elimination of poverty and accelerated developmental progress in all spheres of South Africa in the not-too-distant future, and make its mark as a continuing economic engine for the continent,” Goba concludes.

***Ends***

**Notes to the Editor**
To download hi-res images for this release, please visit <http://media.ngage.co.za> and click on the Hatch Goba link to view the company’s press office.

**About Hatch Goba**
Hatch Goba supplies process and business consulting, information technology, engineering, procurement and project and construction management and operational services to the mining, metallurgical, energy and infrastructure industries.

**Media Contact**
Gerhard Hope
NGAGE Public Relations
Phone: (011) 867-7763
Fax: 086 512 3352
Cell: 078 824 8723
Email: gerhard@ngage.co.za
Web: [www.ngage.co.za](http://www.ngage.co.za/contact-us)

Browse the Ngage Media Zone for more client press releases and photographs at <http://media.ngage.co.za>