



**TRADE & INDUSTRIAL POLICY STRATEGIES**

**WORKING PAPER**

**A PERFECT STORM:  
MIGRANCY AND MINING IN THE  
NORTH WEST PROVINCE**

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TIPS is a research organisation that facilitates policy development and dialogue across three focus areas: trade and industrial policy; inequality and economic inclusion; and sustainable growth

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## Abbreviations

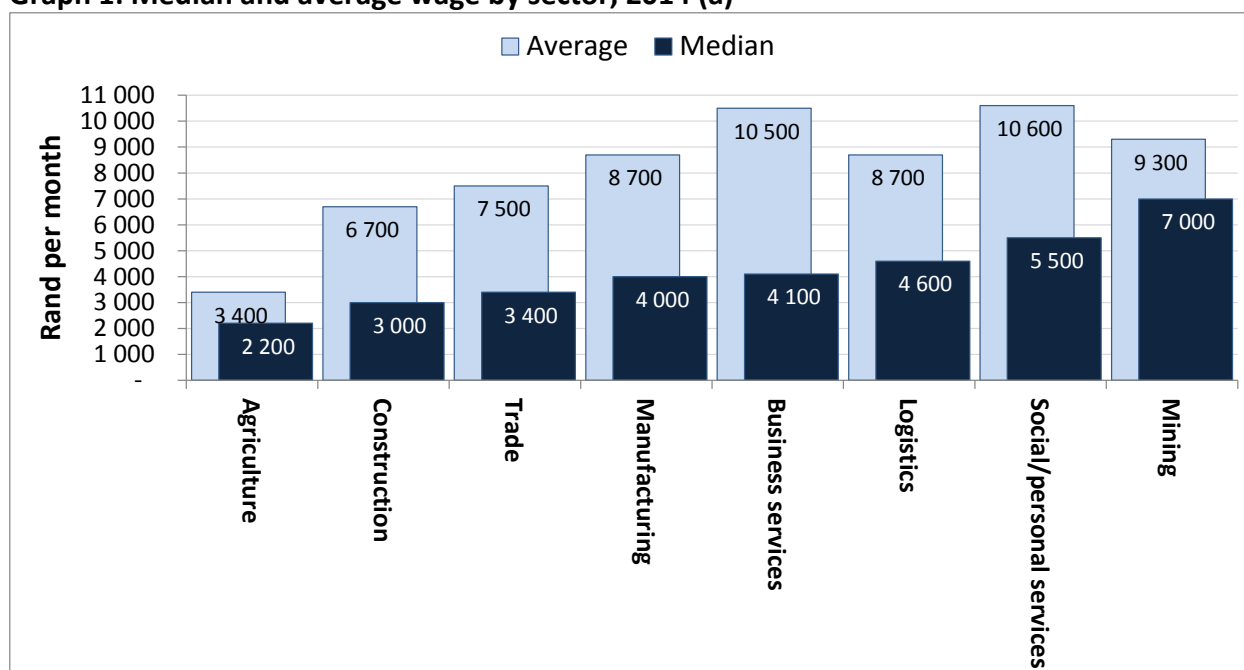
BPMD	Bojanala Platinum District Municipality
CPI	Consumer Price Index
CoGTA	Cooperative Governance and Traditional Affairs (Ministry)
DCOG	Department of Cooperative Governance
DHS	Department of Human Settlements
DMR	Department of Mineral Resources
DPME	Department of Planning Monitoring and Evaluation
MPRDA	Mineral and Petroleum Resources Development Act
NUM	National Union of Mineworkers
IDP	Integrated Development Plan
PPI	Producer Price Index
RBN	Royal Bafokeng Nation
RDP	Reconciliation and Development Programme

# 1 Conceptual framework and methodology

The platinum industry was severely affected by prolonged strikes in 2012 and 2014, which lasted for months. Near Marikana in the North West Province on 16 August 2015, police fired on strikers, killing 34 miners in the worst massacre since the transition to democracy in 1994. In both strikes, the miners and their families endured real hardship as they went months without pay.

The strikes could not be attributed simply to unusually low wages by national standards, although South African miners earned far less than their equals in Australia, the US and other industrialised economies. As Graph 1 shows, in 2014 the median wage for miners was around twice as high as in other sectors. Yet virtually no other industry saw workplace conflict of the bitterness experienced on the platinum mines. Moreover, the other major employers within mining, mostly in gold and coal, also did not experience similarly prolonged and rancorous strikes.

**Graph 1: Median and average wage by sector, 2014 (a)**



*Note:* (a) The median wage is the wage earned by the 50th percentile of employees – that is, half of all employees earn more and half earn less. Where pay is highly unequal, as in South Africa, the average will be substantially higher than the median. The Quarterly Labour Force Survey data, which underlie the data provided here, is a household-based survey that consistently reports much lower pay than the cost of employment reported in the employer survey by Statistics South Africa, known as the Quarterly Employment Survey. The employer survey only covers formal enterprise. It calculates average pay by dividing gross remuneration and benefits paid, as reported by employers, by the number of workers. The Labour Force Survey data accord better than the Quarterly Employment Survey with other sources such as wage agreements and interviews with workers. *Source:* Calculated from Statistics South Africa. Labour Market Dynamics 2014. Series on main industry and employee earnings. Electronic database downloaded from [www.statssa.gov.za](http://www.statssa.gov.za) in September 2015.

It follows that stresses other than pay alone must be explored to explain the intensity of workplace conflict on the platinum mines.

In engagements led by the Presidency in 2012 and 2014, both employer and union representatives used the concept of migrant labour to capture the interaction between living

and working conditions that caused unusual stress for miners in South Africa. They argued that circular migrant labour to the mines meant that:

- The miners suffered from stressful living and community conditions;
- Miners faced higher financial burdens because they provided for their families in labour-sending areas through remittances; and
- Migrant labour was associated with a tradition of oppressive workplace relations and profound inequalities in returns from the mines, with an unusually large social and pay gap between workers and supervisors as well as a relatively low share of total value added going to labour.

The miners' migration to the North West platinum mines in the past decade was, however, very different from the historic oscillating migrancy enforced by apartheid legislation before 1994. Above all, migrancy in the North West was shaped, not by discriminatory laws, but by rapid growth in employment opportunities in the platinum belt in the context of the spatial inequalities entrenched under apartheid.

From 2001 to 2012, employment in platinum climbed from 100 000 to 200 000, before dropping to 190 000 in 2014.<sup>1</sup> Total mining employment in the North West, concentrated around Rustenburg and Brits (an hour or so west of Tshwane), rose from 125 000 in 2001 to a peak of 179 000 in 2011. The simultaneous decline in gold production and employment in other regions mean that these figures understate growth on the platinum mines.

The majority of platinum miners did not come from the traditional labour-sending areas in the Eastern Cape, Lesotho and Mozambique, but from other parts of the North West and from Gauteng. Still, workers from the Eastern Cape were disproportionately represented among rock-drillers, who formed a relatively skilled, experienced and cohesive group of workers with a critical role in the production process. (See Stewart 2013) Rock drillers constituted around 15% of platinum miners.

The North West experience was by no means unique. Worldwide, the surge in metals prices that lasted from the early 2000s through 2011 led to rapid growth in many mines in relatively remote rural areas. If they were major employers,<sup>2</sup> these projects faced a triple challenge. They had to:

- Establish adequate infrastructure, including housing and social amenities for workers, which often entailed contestation around who should build and who should pay;
- Develop sound labour relations, management practices and competencies even as they rapidly expanded production; and
- Manage working time and transport costs to enable miners to spend quality time with their families, who often remained in other regions while the development of human settlements lagged the growth of the mines themselves.

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<sup>1</sup> Data kindly provided by Department of Mineral Resources (DMR) in October 2015.

<sup>2</sup> The iron ore mines in South Africa grew even faster than platinum in terms of output, but they only employed around 20 000 people.

In the platinum belt, responses to these challenges by employers, workers, communities and the state built on practices and perceptions developed as part of the colonial and apartheid migrant labour system that historically centred largely on mining. On the whole, these responses failed to create living and working environments able to support either sustainable growth in platinum mining or secure, decent work and vibrant communities.

This paper explores responses to current economic challenges in the platinum belt by both workers and employers, which were influenced but not determined by older forms of migrant labour. Its findings derive from analysis of earlier studies, statistics, company and regulatory reports and from group interviews conducted, by Khulumani,<sup>3</sup> in the platinum belt and labour-sending areas. Seven group interviews were conducted with miners as well as family and community members in the North West and Eastern Cape Provinces.<sup>4</sup> They provided more detail and explored the perspectives of participants to complement the data analysis. (Annexure 1 provides a description of the group interview process.) In addition, human-resource managers from the leading platinum companies were interviewed, and drafts of the research were workshopped with representatives of employers, unions and government departments.

The findings suggest that:

1. The persistence of oscillating migrant labour in platinum, despite the elimination of residential laws, reflected
  - the persistence of over-settlement in labour-sending areas as a consequence of apartheid residential laws, and
  - the failure from 1994 to acknowledge, monitor and plan adequately for the resulting migration to both existing and new economic centres, including the platinum belt.

Two decades after the end of apartheid, the former so-called “homelands”<sup>5</sup> still held almost a third of the population. The share had fallen substantially since 1994,<sup>6</sup> but still far more

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<sup>3</sup> Khulumani was established to give voice to victims of apartheid, initially as part of the Truth and Reconciliation Commission process. It worked with the widows of the Marikana victims following the massacre. We are grateful to Khulumani for assisting with group interviews with miners and their families, in a process led by Nomarussia Bonase and Judy Seidman (Seidman and Bonase 2015). A detailed report of the group interviews is available at <http://www.khulumani.net/khulumani/documents/category/16-active-citizenship.html>.

<sup>4</sup> The group interview process, and the research programme as a whole, was kindly funded by REDI 3x3, which also hosted a presentation on the findings at a workshop in November 2015, leading to very useful comments.

<sup>5</sup> All of the terms for the areas formally designated for Africans under apartheid are objectionable, since they were designed to take away people’s citizenship. The term “homeland” was used to imply that the rest of South Africa was not a homeland for the majority. Nonetheless, it is preferable to the alternatives, as long as it is understood to refer to specific regions, not actual homelands – hence the quotation marks. The other apartheid term, “Bantustan”, incorporates a racial slur. Statistics South Africa today refers to “traditional” or “tribal” land. These areas were not really traditional, however, since pre-colonial laws and power as well as residence were largely reshaped by colonialism and apartheid. The term “tribal” is in itself problematic, since it is used only for certain ethnic groups and not others. That said, there has to be some way to refer to these areas, which apartheid left with very different levels of public and private investment, employment and governance structures than the rest of the country. In this context, “homeland” and “traditional” seem preferable to “Bantustan” and “tribal”.

<sup>6</sup> The 1990 Census found that around 45% of the population lived under the then still-extant “homeland” administrations, but it seems likely that it over counted the number of residents there. The Census relied on

than could make a living there. A continual outflow of working-age adults resulted. Meanwhile, the mines of the platinum belt offered comparatively well-paid jobs for tens of thousands who did not have matric. Human settlements around the platinum belt did not develop in step with the mines, however, and many miners argued that they could not subject their families to their poor living conditions.

2. Despite the establishment of strong unions and collective bargaining, neither employers nor workers managed to clearly identify and transform key characteristics of the apartheid workplace. From 1994, new labour laws ended arbitrary dismissals and overt discrimination, promoted organisational rights and improved safety and healthcare. By 2015, around two thirds of supervisors in the mines were African. But most workers still saw no chance of promotions or seniority increments, and experienced employer decisions as arbitrary and discriminatory. Moreover, managers and supervisors, especially if white, had far better housing and work facilities than other workers. These conditions led to continual workplace conflict, with workers generally demanding higher pay rather than systemic changes.

During the commodity boom, the system worked despite these problems because profits were high and pay for miners increased rapidly in real terms. With the end of the boom, however, pay levelled out, often without much explanation to workers, who resisted through strikes. In response, the international mining companies began to divest and both employers and the state started to explore underground mechanisation, which could ultimately replace a significant number of miners.

A less costly strategy in economic and social terms would be to transform the apartheid workplace and payscales as well as to improve human settlements – in the sense of community agency as well as housing and social services – for miners. But neither was easy. Upgrading the mines as workplaces would require a shift from systems of work organisation and supervision that were familiar to both managers and miners, and reinforced by myriad long-established practices and investments in facilities and training. Improving human settlements around the mines proved expensive and hard to deliver. Moreover, the municipalities of the platinum belt were poorly capacitated and hemmed in by “traditional” authorities. These challenges were aggravated by the widely held view that the miners were somehow still “migrants” even though, in line with the democratic dispensation, the vast majority were South African citizens.

The next part of this paper sets the context for the analysis of migrant labour and workplace relations by reviewing the growth of mining and mine employment in the North West over the past 15 years. Part III assesses the factors that led to the reproduction of migrant labour, including the blockages to development of attractive human settlements in the North West as well as conditions in the labour-sending areas. Part IV analyses trends in pay and workplace relations. The final section explores some implications for improving conditions in the platinum belt.

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estimates for much of the African population and excluded Transkei, Bophuthatswana, Venda and Ciskei. Its findings relied on estimates for around a third of the total.

## 2 The context: The mining boom in the North West

The years from 2000 saw a fundamental shift in South African mining, with a boom in platinum contributing to diversification away from gold – and with it, a relocation of the centre of mining from Gauteng and the Free State to the North West and Limpopo. As a result, the relatively small towns of the platinum belt saw an extraordinary influx of miners and others seeking opportunities in their newly booming economies.

Platinum mining was driven by three trends over the past 15 years.

- Mining investment in South Africa diversified as the gold mines matured, with a rapid shift in the structure of production away from gold and towards platinum and iron ore. In contrast to platinum, however, iron ore employed only around 20 000 people in 2014, even though it had become one of South Africa's two largest exports.
- Platinum demand increased globally as the US and some other industrialised countries mandated catalytic converters in cars, starting in the 1970s. In effect, this trend changed platinum from a luxury metal used largely in jewellery to an industrial input, with generally more robust sales. Demand levelled out from around 2008, however, as the global financial crisis cut into car sales while technological shifts reduced the amount of platinum required for catalytic converters and promoted recycling.<sup>7</sup>
- Metals prices generally surged from the early 2000s through 2011, but then declined sharply and seemed unlikely to improve at least through 2020.

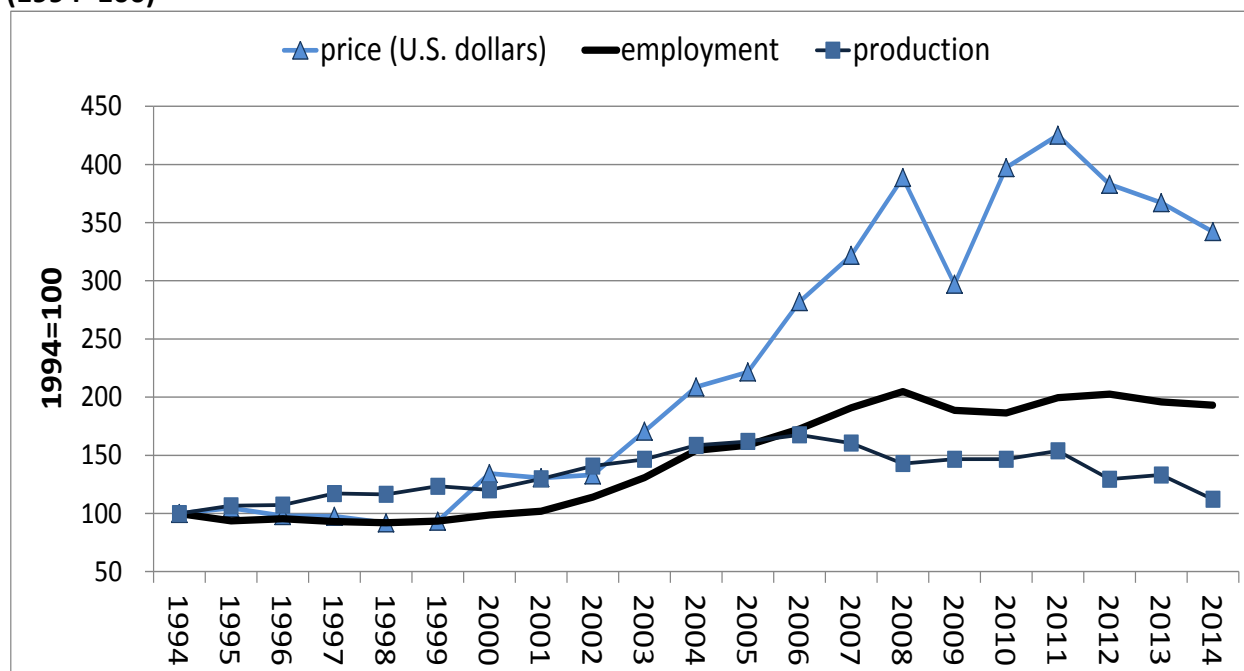
These trends meant that investment, production and employment in platinum climbed rapidly from 1999 through 2008, as Graph 2 shows. They then levelled out and, from around 2011, declined. Employment almost doubled while production rose by around a third from 2000 to 2011. The 2008/9 global financial crisis initiated a phase of fluctuations and slower growth, which turned to a decline from 2011. In this context, the strikes in 2012 and 2014 saw months of low production, during which the companies sold off reserves that had built up over the previous few years of stagnant demand. More recent data were not available, but the continued sharp fall in prices in 2015 saw further shrinkage in both output and employment.

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<sup>7</sup> Substitution away from high-priced raw materials is a standard response, which underlies the downward pressure on commodity prices in the long run.



**Graph 2. Indices of the platinum price (a), production and employment, 1994 to 2014 (1994=100)**

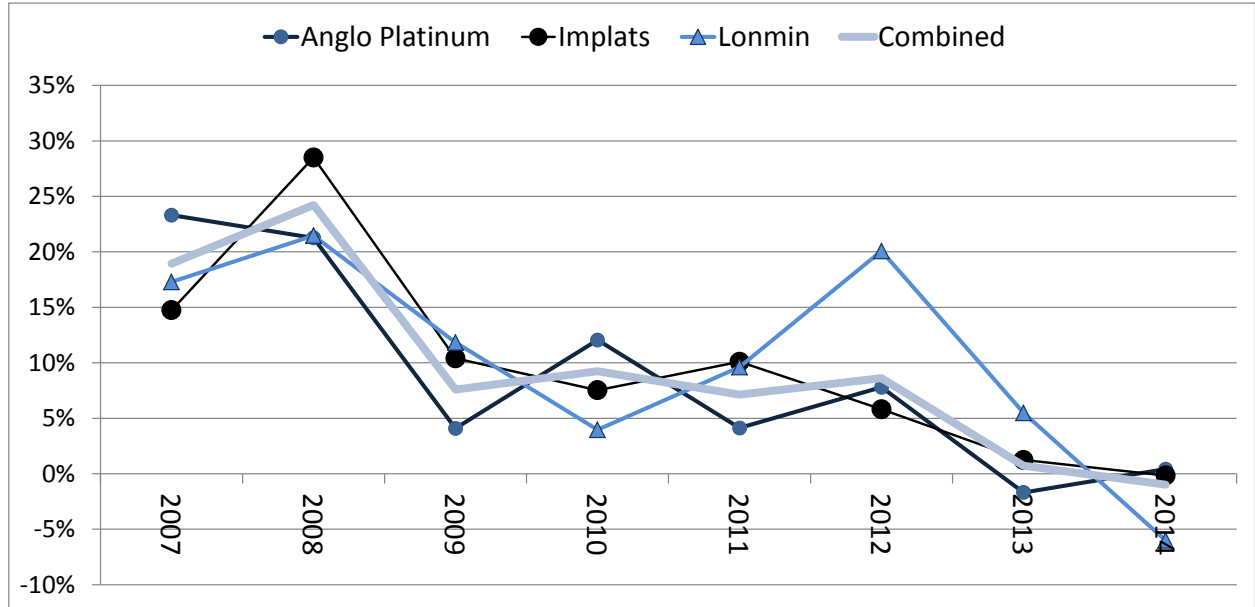


Note: (a) Average annual price. Sources: Calculated from: for prices, average annual price downloaded from historical data at [www.kitco.com](http://www.kitco.com) in November 2015; for employment, data kindly provided by the DMR in October 2015; for production, data on platinum supply by country downloaded from [www.platinum.matthey.com](http://www.platinum.matthey.com) in October 2015.

Through 2014, three companies – Anglo Platinum, Impala Platinum and Lonmin – accounted for around 80% South Africa’s platinum production and 70% of platinum employment. The decline in platinum demand and prices meant that their return on capital (that is, after-tax profits compared to asset value) fell sharply. It averaged 20% before the global financial crisis, dropped to 8% in 2009/10, and fell to near or below zero in 2013 and 2014 (Graph 3). The share prices for the three companies dropped between 60% and 98% from 2011 through late 2015. By then, Lonmin was teetering on the brink of bankruptcy.

In November 2015, Anglo Platinum sold three of its mines to Sibanye Gold for R4,5 billion, saying the sale was motivated by labour conflict and low prices.

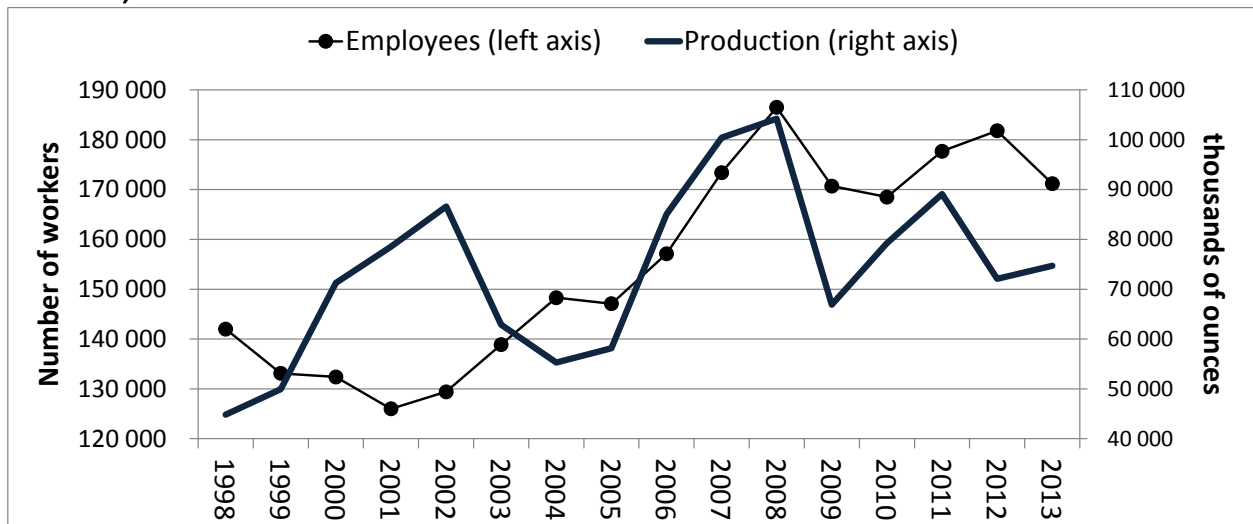
**Graph 3. Return on assets (a) by company and weighted average for all three, 2007 to 2014**



Note: (a) Estimated as after-tax profits as percentage of total assets. Source: Calculated from Annual Reports of companies for relevant years.

Mining employment in the North West mirrored the global trends that first fostered and then battered platinum from the turn of the Century. From 2000 to 2008, mining production in the province expanded by almost 50%. Mining employment rose almost as fast, from 132 000 to a peak of 186 000. The global financial crisis brought a fall in production and employment, and the recovery from the crisis was reversed with the sharp fall in prices from 2011. Overall, the North West’s mining production dropped by over a quarter, and employment by almost a tenth, from 2008 to 2013 (Graph 4).

**Graph 4. Value of mining production in 2013 rand (a) and mining employment in North West Province, 2001 to 2013**



Note: (a) Current value of mining production deflated using Consumer Price Index (CPI) reweighted to 2013. Figures for the volume of production are not used because they do not adequately indicate the effects of the substantial international price increases of the 2000s on the structure of production and revenues. Source: Calculated from DMR Provincial mineral production and mining employment. Downloaded from www.quantec.co.za in November 2015.

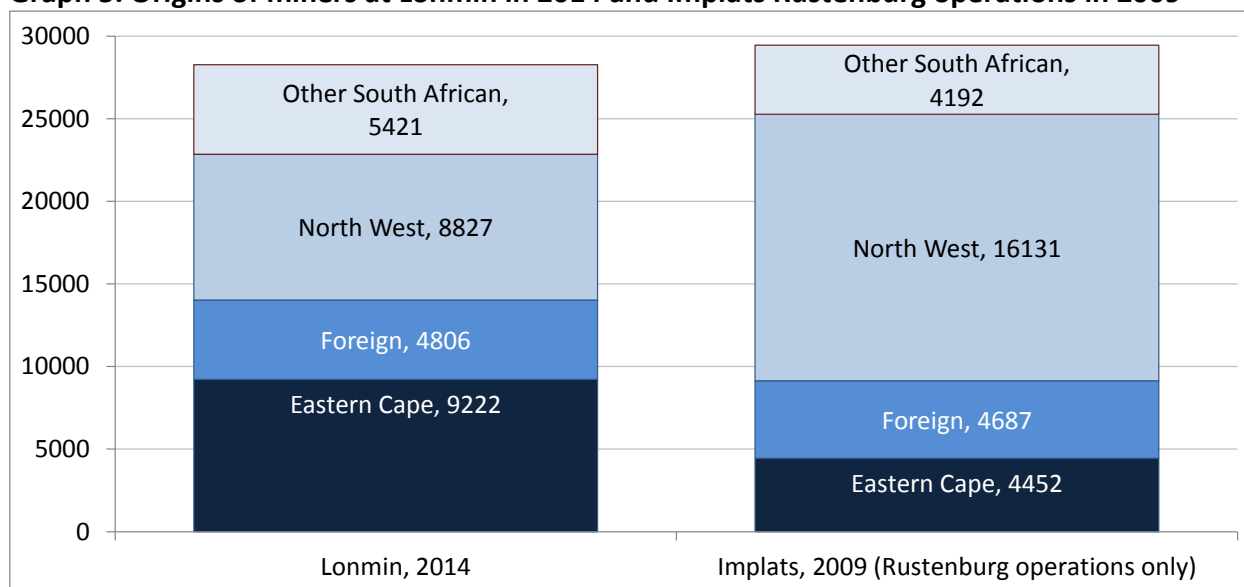
In 2013, in current rand, the North West’s mining output came to R74 billion, equal to 31% of total value added in the province. That was up from just over 20% through the 1990s. In

Bojanala, which housed most of the platinum mines, the contribution of mining to the regional product exceeded 40%. Rustenburg accounted for three fifths of the district’s mining output and Madibeng for a fifth (BPDM 2013a, p 46).

The share of miners in the North West’s employment also rose, from 15% in 2002 to around 23% in 2013.<sup>8</sup> In other words, by 2013 around one employed person in four in the North West was a miner, up from about one in seven a decade earlier. In this context, the overall increase in the number of miners masked a shift from gold and coal to platinum, and with it a relocation of mining from other areas of the North West to the platinum belt. In Rustenburg, around half of all employees were in mining in 2010 (Rustenburg Local Municipality 2012, pp 29-30).

Comprehensive data on the origins of the miners in the platinum belt were not available, but company reports provided some insights. Lonmin and Implats reported on the origins of their workers. As Graph 5 shows, the share of migrants from the traditional labour-sending areas of the Eastern Cape and outside South Africa varied substantially, from half in the case of Lonmin to under a third for Implats Rustenburg operations. The bulk of the remaining workers came from the North West, but many moved from outside the platinum belt, including from downsized gold mines in Gauteng and the Free State.

**Graph 5. Origins of miners at Lonmin in 2014 and Implats Rustenburg operations in 2009**



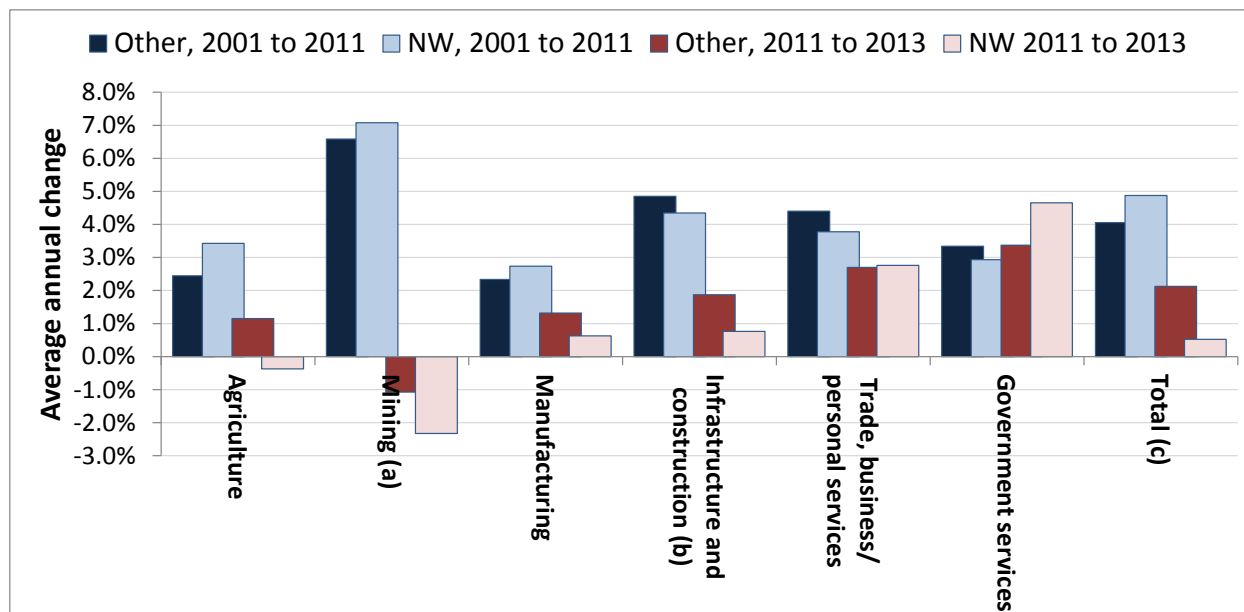
Source: Lonmin, Sustainability Report 2013, p 40; Implats, Sustainable Development Report 2009, p 65.

The mining boom brought relatively rapid growth to the North West from 2001 to 2011, with faster growth across the productive sectors than in the rest of the country. Graph 6 shows growth in the total provincial product and by sector, with mining deflated by CPI rather than using constant prices in order to capture the impact of the commodity boom. By these data, the

<sup>8</sup> The standard source on employment data, Statistics South Africa’s Quarterly Labour Force Survey, is considered unreliable for mining employment because of difficulties in surveying and weighting employment on relatively isolated mines. Statistics South Africa therefore suggests that the data provided by the DMR should be used instead. For the calculations here, the DMR’s figures for mining are used as a percentage of the Quarterly Labour Force Survey’s figure for total North West employment. In the event, the Quarterly Labour Force Survey found 156 000 miners in the North West in the fourth quarter of 2014, compared to the 179 000 reported by the DMR.

North West economy grew almost 5% a year from 2001 to 2011, while the rest of the economy expanded just over 4% a year. The pattern reversed from 2011, however, with a fall in mining output in constant rand pulling down overall provincial production outside of private services, trade and government to below the rest of the country. For these two years, the latest for which provincial data are available, the North West economy expanded only 0,5% a year while the rest of the economy grew 2,0% annually.

**Graph 6. Average annual percentage growth in value added in mining deflated by CPI (a) and in other industries in volume terms in the North West and the rest of the country from 2001 to 2011 and 2011 to 2013**



Notes: (a) Mining is deflated with CPI because the figures for the volume of final output, which declined for much of the period, do not capture the impact of higher revenues and consequently investment and employment as a result of the increase in the international price from the early 2000s thorough 2011. Figures using volume alone, as in the official GDP data, show virtually no growth in total mining output nationally and far slower growth in the North West. (b) Electricity, gas, water, telecommunications and transport. (c) Total includes all sectors save mining in volume terms plus mining deflated by the CPI revalued to 2010. Source: Calculated from, Statistics South Africa, GDP data for third quarter of 2014 and CPI data for 1990 to 2012. Series on provincial value added by sector in volume terms for industries except mining, which shows value added in current terms deflated using CPI for December. Excel spreadsheets on GDP and Producer Price Index (PPI) downloaded from [www.statssa.gov.za](http://www.statssa.gov.za) in December 2014.

In short, the global commodity boom of the 2000s brought a rapid expansion in mining in the platinum belt of the North West province. That in turn led to an influx of miners into the relatively small towns of the platinum belt. From 2011, however, stagnant demand and falling prices began to slow and even reverse this trend.

### 3 Human settlements, migrancy and stress

In the group interviews for this study, miners unanimously complained about substandard human settlements and government services in the platinum belt. Workers argued that their poor housing in itself proved they should be paid more. As one group interview participant put it,

“Our government is saying we are earning a lot of money. How come it claims that we are earning a lot, being as we are living in these conditions? Who likes to live in these filthy, bad conditions? There is no electricity and no water. Who would like to stay in these conditions?”

The failure to develop adequate human settlements in the platinum belt resulted from:

- The weaknesses of the housing market in the region combined with backlogs in infrastructure left by apartheid in the former “homeland” spaces;
- Weak resourcing of the municipalities and provincial agencies; and
- The reluctance of ethnic “traditional” authorities in the former “homeland” regions of the platinum belt to provide land for formal housing to workers from other parts of South Africa.

Meanwhile, although the democratic era brought an end to residential restrictions, the former “homeland” areas across the country remained artificially over-crowded and impoverished regions with inadequate infrastructure and productive resources. They had far higher joblessness than the rest of the country as well as generally much lower incomes. In these circumstances, miners argued that they had no choice but to seek work in the platinum belt, but that they could not bring their families to stay. Instead, they continued to support and build houses for their children, parents and siblings in other, more hospitable although often poorer regions. Their decisions were clearly influenced by the history and traditions of circular migrant labour in their families and communities. But they also demonstrated how the legacies of apartheid residential and citizenship laws and spending patterns continued to constrain life choices and opportunities for most South Africans.

In the group interviews, the Marikana widows who were given employment on the mines after their husbands were killed brought the dilemma facing migrant workers to the fore. They felt they could not bring their children to the platinum belt, where living conditions were unacceptable. As a result, said one, “my children are being orphaned twice - once when their father was killed, and now that I am not there to help them grow. But what choice do I have?”

#### 3.1 The state of human settlements in the platinum belt

A snapshot of Rustenburg and Madibeng<sup>9</sup> from Census data for 2001 and 2011 (unless otherwise noted) indicates the scope of the social challenges associated with the rapid expansion in the platinum mines.

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<sup>9</sup> Both Rustenburg and Madibeng counted as single municipalities in the South African system, which provided for wall-to-wall municipal governments, although both incorporated a number of small towns and settlements as well as farms and mine sites.

- The population of Rustenburg and Madibeng grew by almost 300 000 from 2001 to 2011, or 40%, to reach just over a million, with around half a million in each municipality. In contrast, the population of South Africa as a whole climbed only 16% from 2001 to 2011, and the rest of the North West by 10%. Only the metros in Gauteng grew as fast as the platinum belt. The share of people in Rustenburg and Madibeng who spoke Tswana as their first language fell from 58% in 2001 to 48% in 2011.
- Because most of the migrants into the two municipalities were working-age men, their share in the population climbed to 40% of the total, compared to a national average of 32%. Women made up 52% of the population nationally, but just 47% in Rustenburg and Madibeng.
- By 2011, 34% of the residents of Madibeng and Rustenburg lived in informal housing, compared to a national average of 14% and, in Gauteng, 19%. The number of informal residences in Rustenburg and Madibeng climbed from 80 000 in 2001 to 123 000 in 2011, even though the number of formal stand-alone houses rose even faster, from 110 000 to 200 000.
- Informal housing almost inevitably meant worse facilities. Only 45% of residents in Rustenburg and Madibeng had a flush toilet, compared to a national average of 60% and, in Johannesburg, almost 90%. The majority of platinum belt residents used unimproved pit toilets, which in crowded settlements were unhygienic and risked contaminating the ground water. Only a quarter of households in Bojanala as a whole had a sanitation system that discharged to a water treatment works (BPMD 2013b, p 38). At the bulk level, demand in Rustenburg for infrastructure outstripped supply by 2012 (Rustenburg Local Municipality 2012, p 124).
- In 2011, half the residents in Rustenburg and Madibeng said they had no refuse removal – about the same as for the rest of the North West but well above the national average of a third of households, and far worse than Gauteng at under one in ten. Municipal and private refuse sites often ended up dealing with hazardous and medical waste as well as dead animals, for which they were not equipped (BPMD 2013a, p 106).
- In contrast, on paper Rustenburg and Madibeng residents fared the same as or better than the rest of the country when it came to electricity and water on site. Some 77% said they had piped water in their houses or plots, compared to 73% nationally, while 71% had electricity compared to 70% in the rest of the country. The quality of these services was, however, often worse than in more developed parts of the country, with frequent interruptions and poor-quality supply.

The lack of adequate roads was a further challenge.

“In Nkaneng, there are no roads, and few cars struggle over the uneven muddy dirt roads that taxis refuse to drive on. Everyone must walk to the main road to get taxis. For many this is a very long distance, when it rains many cannot leave their homes...

“The roads are the pivot of a whole range of activities that are denied to the community as a result: for example not being able to buy large grocery items, or attend school or work when it rains heavily, which is extremely common in the summer. Most



importantly, it is impossible for ambulances to reach sick or injured people inside Nkaneng because of the road, especially crucial during the strikes and the massacre.” (Naicker 2013, p 24)

### Miners' housing in the platinum belt



Judy Seidman, Khulumani, 2014

The in-migration of miners affected some communities far more than others. The established towns of Rustenburg, Hartebeespoort and Brits expanded by around 50%. Excluding these towns, 10 communities in Rustenburg and Madibeng accounted for half of total population growth in the two municipalities. The average size of these 10 smaller communities climbed from 18 000 residents in 2001 to 32 400 in 2011, or by 80%. As a result, where they made up a quarter of the population of Rustenburg and Madibeng in 2001, by 2011 they had reached a third.

Annexure B gives an overview of growth in all communities in the Census in Rustenburg and Madibeng from 2001 to 2011. It provides more detailed information on population growth, employment and municipal services in the 10 most affected centres.

In addition to these settlements, in-migration and informal housing expanded rapidly on commercial farm land in Madibeng. In contrast to settlements near the mines, it appears that most of these in-migrants were working on the farms. Overall population density in these areas remained very low, at seven households and 17 people per square kilometre. Of the 56 000 people in the areas that made up Madibeng Non-Urban in 2011, only 36% spoke Tswana or Tsonga, while 35% had migrated into the area after 2001. Two thirds were employed, but of the employed some 67% earned under R1600 a month – far below miners' wages and much lower than the incomes found in more densely settled areas. A third lived in informal houses, half in formal stand-alone housing, and 3% in “traditional” houses.

Three communities stood out as destinations for miners from outside the North West – Wonderkop in Madibeng and Freedom Park and Marikana in Rustenburg. Although not the largest or the fastest growing settlements, they were unusually dominated by working-age men living in informal housing, often in a single room with substandard services.

Each of these communities had around 20 000 residents in 2011. Wonderkop, which includes some older hostels, had grown by 66% in the past 10 years, or 8 700 people, while both Freedom Park and Marikana had tripled in size – that is, they had grown over 10% a year. Freedom Park expanded by 15 400 and Marikana by 13 200. In contrast, Bojanala as a whole grew at just under 2,5% a year. Even that rate, which is on a par with Gauteng, is extraordinarily high by global standards.

In 2011, over half the residents in Wonderkop, Freedom Park and Marikana were working-age men. That compares with a national average of 32%, and around 40% for Rustenburg and Madibeng as a whole. Working-age men accounted for around 60% of the population growth in Wonderkop and Marikana, and 52% of the growth in Freedom Park. In all three settlements, only around 35% of residents were women. Some 58% of residents said they lived alone, and 62% of residents had only one room.

In 2011, a third of the residents of the three communities said they had migrated from outside the North West after 2001, with the Eastern Cape accounting for the lion's share of in-migrants. In Wonderkop, 17% of all residents said they had migrated from the Eastern Cape after 2001, compared to 12% in the other two settlements. The three settlements together accounted for almost two out of five immigrants from the Eastern Cape into the North West after 2001.

Residents in all three settlements reported relatively high levels of employment and incomes, which contrasted sharply with their impoverished living and social conditions.

In all three settlements, the share of working-age people with employment was over 50%. In Marikana, the figure was 59%. That compares to a national average of around 40%, and 25% in the former "homeland" regions. Earned incomes were also relatively high. In 2011, 47% of employed people nationally earned over R3 200 a month. In Wonderkop, Marikana and Freedom Park, the figure was 62%.

Combined with relatively high employment levels, higher earned incomes meant households were relatively prosperous in cash terms. In South Africa as a whole, 44% of households had annual incomes of less than R19 200 a year in 2011. In the three settlements, the figure was only 28%.

Yet despite comparatively high household incomes, over half the residents of Wonderkop, Marikana and Freedom Park lived in informal housing; only around two thirds had electricity for lighting and piped water on site; and most had no rubbish removal. While there were differences between the communities, all had substandard services. As Table 1 shows, living conditions were significantly worse than in most other settlements in Rustenburg and Madibeng, and indeed nationally.



**Table 1. Housing and services in Wonderkop, Marikana and Freedom Park compared to national average, 2011**

Facilities	Wonderkop	Marikana	Freedom Park	National
Population	21,800	23,200	19,500	51,770,600
Number of households	11,100	11,700	13,400	14,450,200
Of which, percentage with:				
Formal standalone house	8%	41%	37%	65%
Informal backyard shack	13%	18%	32%	5%
Informal standalone house	63%	23%	21%	9%
Other (mostly multi-family buildings)	16%	18%	10%	21%
Electricity for lighting	83%	59%	49%	85%
Refuse removal	6%	38%	67%	65%
Flush toilet	9%	51%	67%	57%
Pit latrine without ventilation	71%	27%	24%	19%
Bucket or none	5%	5%	6%	7%
Other	15%	17%	4%	16%
Piped water in dwelling	14%	26%	31%	46%
Piped water in yard	68%	32%	35%	27%
Borehole	7%	5%	1%	6%
Unimproved or tanker	2%	9%	7%	11%
Water vendor	6%	3%	16%	1%
Other	3%	25%	10%	8%

Source: Calculated from relevant series in Statistics South Africa, Census 2011. Downloaded from [www.quantec.co.za](http://www.quantec.co.za) in November 2014.

If you lived in Wonderkop, Marikana or Freedom Park, you were:

- Seven times more likely than other South Africans to have to buy water from a vendor
- Four times more likely to live in an informal house or backyard shack
- Twice as likely to have a pit latrine without ventilation and to have no municipal refuse removal
- Half as likely to have a formal house with piped water inside.

These conditions proved particularly galling for many miners because they were employed in formal jobs and lived in urban settings. The population density in Freedom Park in 2011 was 3 660 per square kilometre; it was over 1 100 in Marikana and almost 400 in Wonderkop. For comparison, Johannesburg averaged 2700 people per square kilometre. In addition, miners often felt they ended up paying inflated sums for inadequate housing, water and other services.

Poor housing conditions went along with weak social services. According to the Bojanala Integrated Development Plan, as a rule no educational facilities were provided in informal settlements because the education departments considered them to be temporary. This situation, the plan notes, had endured for over a decade, “obviously making it very difficult for learners in informal settlements to have a basic education” (BPDM 2013b, p 45). While most settlements had a health facility, Bojanala had just 31 police stations and magistrates offices to serve a million people (BPDM 2013b, p 45).

Even where facilities existed, they were often of poor quality. Over 200 schools and at least 17 clinics in Bojanala had only inadequate access to water services (BPDM 2013b, p 38). In schools, over-use of pit latrines posed a health risk (BPDM 2013b, p 34).

The lack of municipal services combined with extensive mining to degrade the environment, especially water and air. Water suffered both from run-off from slime dams and from

inadequate sewage systems. The air was polluted by mining emissions and use of coal and wood for cooking in many households. (Rustenburg Local Municipality 2012, pp 46-7)

According to survey by the union federation COSATU in 2012, which is described in more detail in Part 4, of miners who belonged to a union, 20% in the North West said that poor housing was a major source of stress, compared to 13% in the rest of the country. Moreover, 13% of organised miners in the North West said conflict with their partner was a source of stress, compared to 3% of organised miners in the rest of the country.

### **3.2 Factors behind the backlogs in human settlements**

The conditions in the platinum belt could not be explained solely as a result of the growth in mining. After all, the population of the platinum towns grew only slightly more rapidly than Johannesburg. From 2001 to 2011, the number of residents in Rustenburg and Madibeng climbed 41%, compared to 38% in Johannesburg. But a one in three residents in the platinum towns ended up in informal settlements, compared to around one in six in Johannesburg.

Despite official recognition from at least 2012 that poor human settlements were a major problem for miners, progress remained limited. As of late 2014, projects to provide housing in the platinum belt, including some in Moses Kotane municipality as well as Rustenburg and Madibeng, expected to supply around 18 000 houses in the following three to five years. (DPME 2014, p 7) That represented around 15% of the number of informal houses in 2011. Of the total, over 10 000 were state programmes and the rest were private or public-private partnerships.

Two sets of factors slowed development of human settlements in the platinum belt.

On the one hand, contestation emerged over responsibility for paying for and providing housing for the miners and other newcomers.

- The miners themselves earned too much to qualify for public housing, but not enough to get private mortgages;
- The state generally ensured the provision of economic infrastructure but not housing for the mines;
- With the end of legally enforced migrant labour, the legal requirement that the mines provide for housing had ended; and
- Local authorities typically did not see the miners as full citizens.

On the other hand, the municipalities of the platinum belt were under-resourced compared to more established economic centres. Moreover, authority was divided between the elected government, ethnic “traditional” leaders in the former “homeland” areas, and the mining companies.

### **3.2.1 The cost of housing and who should pay**

This section first provides a broad estimate of the cost of meeting housing backlogs in the platinum belt and explores the impact of infrastructure deficits shaped under apartheid. It then outlines the debates about who was responsible for improving miners' housing.

#### ***a. The cost of housing***

In 2014/5, the North West housing department planned to spend R2 billion for around 13 000 houses, for an average cost of about R150 000. At that cost, replacing existing informal housing in Rustenburg and Madibeng with formal units would cost around R20 billion. For Marikana, Wonderkop and Freedom Park alone, the cost would be R3 billion.

For comparison, the 2015/6 budget for human settlements in the whole North West came to R2,2 billion, with a projected increase to R3 billion by 2017/8. In 2014/5, the national government set aside a total of R2 billion for all distressed mining communities, of which around half was budgeted for the North West. (DHS 2015b, p 10) Overall, in 2015/6 the North West province planned to provide 3 600 houses near mining towns, although not all were in the platinum belt. At that rate, it would take over 30 years to replace all of the region's informal housing.

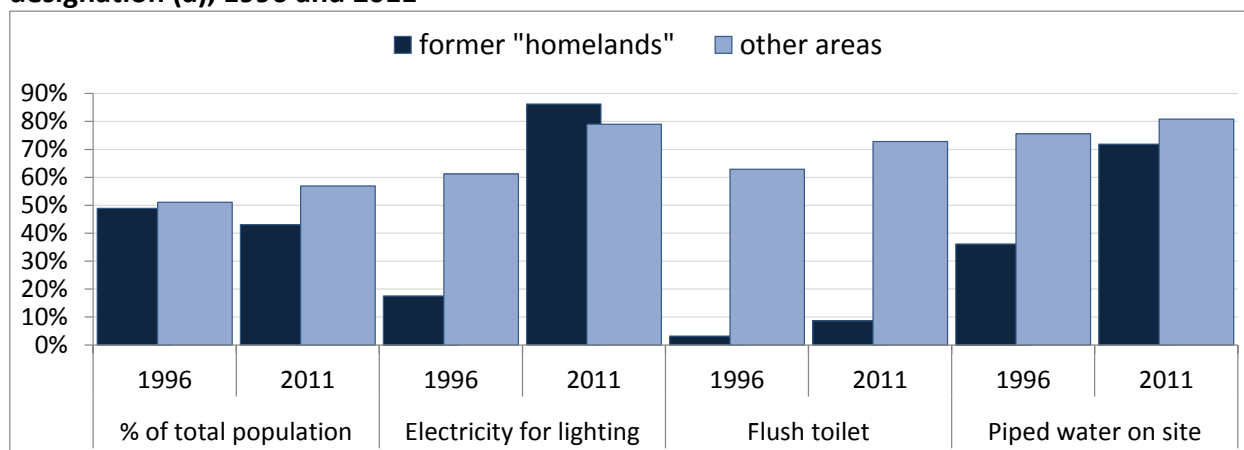
These figures only provide a rough indicator of the financial requirements for improving human settlements in the platinum belt. On the one hand, they do not include social infrastructure, which was critical if miners were to resettle their families nearer to where they work. On the other, between their salaries and allowances, miners earned enough to help pay for their housing themselves.

#### ***b. Apartheid infrastructure deficits***

The former "homeland" system left major infrastructure deficits across the platinum belt, adding to the difficulty of accommodating miners. The historic backlogs made it harder both to extend network infrastructure and to ensure adequate bulk supplies. The infrastructure shortfalls in the platinum belt were aggravated by the fact that the mines also required water, electricity and waste removal services on a large scale.

The 1996 Census demonstrated the extent of backlogs left by apartheid policies. As Graph 7 shows, just 3% of households in the former "homeland" regions of the North West had a flush toilet, 4% had municipal rubbish removal, 18% had electricity for lighting, and 37% had piped water in their houses or on site. In the rest of the platinum belt, the figure for all these services was around 60%, and it was nearly 100% for white households.

**Graph 7. Share of households in Madibeng and Rustenburg with municipal services by historic designation (a), 1996 and 2011**



Note: (a) Former “homeland areas” are counted as sub-places where 95% or more of households were in “tribal or traditional” areas; in the event, 99% of households in the areas included were in “tribal or traditional” areas. Source: Calculated from 1996 and 2011 Census data, series on housing, sanitation, electricity for lighting and water source, geography type for 2011, and sub-places in Madibeng and Rustenburg. Data downloaded from [www.quantec.co.za](http://www.quantec.co.za) in November 2014.

By 2011, both the former “homeland” regions and the rest of Madibeng and Rustenburg had seen substantial improvements in most services. The largest gains were in the former “homeland” areas, especially around water and electricity for lighting. Still, these areas continued to lag rest of the platinum belt. They remained particularly far behind in access to flush toilets, mostly because the national standard was to provide ventilated pit toilets rather than flush toilets.

As in the post-colonial era in the rest of Africa, a common response to the infrastructure challenge was to delay repairs and maintenance in order to finance new services for historically deprived communities. From around 2000, that approach began to cause repeated interruptions in services. In 2014, the Department of Cooperative Governance (DCOG) found that bulk supply in the platinum belt was inadequate in the face of “rapid development and urbanisation, old and outdated infrastructure, mushrooming of informal settlements, land invasions, funding, skills gap and tools of trade” (DCOG 2014, p 8). In a report from July 2014 to the National Council of Provinces, it listed water and electricity failures, some due to aging equipment and some to lack of funds. It also noted that illegal dumping contributed to flood emergencies in February 2014 (DCOG 2014, p 11).

### ***c. Contested responsibilities***

Who should pay for the miners’ housing, and who should deliver it, remained a source of contestation. The challenges were illustrated by recent experiences around Marikana. (DHS 2015b, pp 22 ff)

In 2012, the government, employers and unions formally committed to fast-track interventions to upgrade human settlements for miners in the platinum belt in order to reduce workplace conflict, which was imposing a substantial cost on the country as a whole. In 2013, Lonmin donated 50 hectares of land near the settlement for housing. The North West province planned to provide 2 300 houses under various programmes, with around 550 units to be finalised by

December 2015. For comparison, almost 5 000 households in Marikana lived in informal housing.

Unfortunately, as the handover deadline approached, it became apparent that miners were not eligible for most of the new units. The housing had been built under programmes to provide fully-subsidised housing for households living on less than R3 500 a month. Miners earned two or three times the income ceiling for most of the new houses. They would be eligible for just 34 units – less than 10% of the total, which itself would provide for only a small fraction of residents in substandard housing.

In response, the miners refused to let anyone move in and threatened to occupy the houses illegally. The province initially argued that stakeholders had agreed that all community members should benefit from the scheme, although that would do little to reduce the stress on the mining industry. In the end, housing authorities agreed to re-designate the development from fully subsidised to middle-income rental housing, for which the miners could apply.

Underpinning this experience were differences about

- Whether the miners should pay for decent housing;
- The role of the state in upgrading human settlements; and
- The housing responsibilities of the mines as employers after the end of the apartheid migrant-labour system.

In group interviews, the miners themselves generally saw investment in housing as desirable, but they were building in regions outside the platinum belt. On the one hand, they generally could not obtain sites in the platinum belt, as discussed in Section 3.2.2. On the other, many did not want to bring their families to the distressed settlements where they lived. Virtually all ended up building in Gauteng or in the places from which they had moved, in order to improve conditions for their parents, siblings and/or their children and to provide for their own retirement.

As the Marikana experience demonstrated, the state evidently found it difficult to prioritise housing for the miners of the platinum belt. In part, this was because state housing programmes were targeted fairly narrowly at the poorest and, in mining, at transforming existing single-sex hostels. In part, the situation resulted from competing demands from other communities and stakeholders.

From 1994, state housing policy focused on the delivery of free formal housing for the very poor. For better-off households, government committed to improving municipal services but left housing to the market. In 2012, as it became clear that private mortgage finance was effectively available only to the top 25% of households, the state introduced a partial subsidy for households with an income between R3 500 and R15 000. In 2014/5, the North West government planned to provide just 300 units under this programme. (NWPG 2015, p. 350)

The commitment to improving housing for distressed mining communities emerged in response to the 2012 platinum strike. It was, however, extended to all kinds of mines, even though most did not face the same stresses as platinum. It ended up covering a total of 248 informal

settlements in 17 municipalities (including among others Randfontein in Gauteng), with around half the funds going to the platinum belt (DHS 2015b, p 10).

The situation was also complicated for mine employers.

Before 1994, most miners lived in single-sex hostels. The system initially provided housing for miners when the first gold mines emerged in the then-rural areas of the Witwatersrand. They grew into a lynch-pin of the system for controlling mine labour under apartheid. Relatively few platinum miners lived in hostels, however, since most of the mines expanded after the end of enforced migrant labour.

With the end of apartheid, efforts to normalise labour relations on the mines included agreement that, like other employers, the mines would no longer house their workers themselves. Nonetheless, mineral licensing requirements still required the provision of decent housing, without setting specific standards. The Mining Charter's housing mandate covered only the transformation of single-sex hostels into single and family accommodation, which was largely irrelevant to the platinum mines.

The mines' unions and companies agreed on a housing allowance, called a living-out allowance, to replace the hostel system. The allowance came to around R2 000 a month for most miners in 2015 – enough for a housing bond worth just over R200 000, and more than enough to rent a room in Soweto in 2014 (according to internet advertisements).

The system of housing allowances effectively presumed that housing markets functioned normally for working-class and rural South Africans. They posited that if miners had adequate cash, they would be able to rent or buy formal living quarters. But the rural areas of the platinum belt generally had limited existing formal housing stock for rent or sale, meaning that new housing would have to be built – a more difficult and complex project than incrementally adding to existing settlements. Assuming that the housing market would respond to increased effective demand for formal working-class housing ignored the realities of constrained access to land, inadequate roads, water, waste disposal and electricity, the near-absence of formal bond facilities for working-class households, and limited local construction capacity. In effect, these factors meant that even if the miners could pay for formal housing, there was none to occupy.

Rather than seeking to rectify imperfections in local housing markets, employers and the state generally saw the mushrooming of informal settlements as a result of miners' preferences. In this view, the miners preferred to save their housing allowance by living in the informal settlements around the mines. Lonmin, for instance, argued that employees "opted not to invest their resources in formal housing and have chosen [*sic*] to live in informal housing". (Lonmin, 2013, p 44) Similarly, the Department of Human Settlements told Parliament that 40% of miners sent money from their housing allowances home while staying in informal settlements. (PMG 2015)

Fundamentally, the housing shortage reflected a common problem for new mines everywhere in the world. Most new mines are in rural areas with limited housing for workers, and the cost

of developing new human settlements there was much higher than it would be to accommodate workers in long-standing urban areas. The question was who should bear this cost – miners, employers or the state? In effect, in the platinum belt, neither employers nor the state budgeted sufficient resources for adequate living conditions for the workers, although both built some formal housing. The miners themselves could not get land or services for housing. They found themselves paying inflated prices, often well above the living-out allowance, for backyard rooms and shacks in informal settlements.

Poor housing in itself became a source of tension between employers and employees. As one worker from Bleskop said during a group interview,

“We have homes and families, but we need houses here to live in, and houses here for our families. A *mkhukhu* here costs R1 000, we cannot bring our families here.”

### **3.2.2 Municipal capacity constraints**

The Bojanala municipalities had far less institutional capacity and funds than the Gauteng metros. That in turn made it harder for them to deal with the high pace of in-migration.

The situation was particularly rough in Madibeng (see DCOG 2014, pp 3 ff).

- In 2010, the municipality was placed under administration for six months for failing to pay for services, the high level of complaints and service-delivery protests, and corruption at a high level.
- In 2013, a joint national and provincial task team recommended disciplinary action and criminal charges against the Municipal Manager, the Acting Chief Operations Office, the Acting Head of Corporate Services and the Speaker of Madibeng. No action was, however, taken, because the Mayor did not call the necessary meetings.
- In early 2014, four people were killed (at least two, one of them a miner, reportedly shot by police) in service delivery protests about a prolonged cut off in water. (SAPA 2014) The North West government then asked that Madibeng be put under administration again. Instead, it was decided to second support from the national government as the town seemed to be making progress with new leadership. The Department of Co-operative Governance delegated an official as acting municipal manager.

In both Rustenburg and Madibeng, participants in group interviews described municipal corruption at length, often claiming collusion between mine owners and municipal officials, as well as violence to silence community voices. One person said hundreds of activists were harassed, arrested, shot at or beaten up, with several killed in Bojanala in recent years. Another said he felt in danger for exposing municipal corruption, recounting an incident where unknown men attempted to break into his house at night.

In November 2014, renewed service delivery protests broke out in Mothotlung, Majakaneng and Hebron in Madibeng municipality. The latter two were among the fastest growing settlements outside of the major towns in the platinum belt (see Annexure B). In response, the North West government put Madibeng under administration for the second time in five years. It delegated a municipal manager for between six and 12 months with a mandate to focus on:

- Improving service delivery, particularly water and sanitation services;
- Upgrading financial controls, procurement and debt collection, especially in light of repeated poor audit findings; and
- Implementing the recommendations of two past and one current investigation into the municipal management. (SA News 2014)

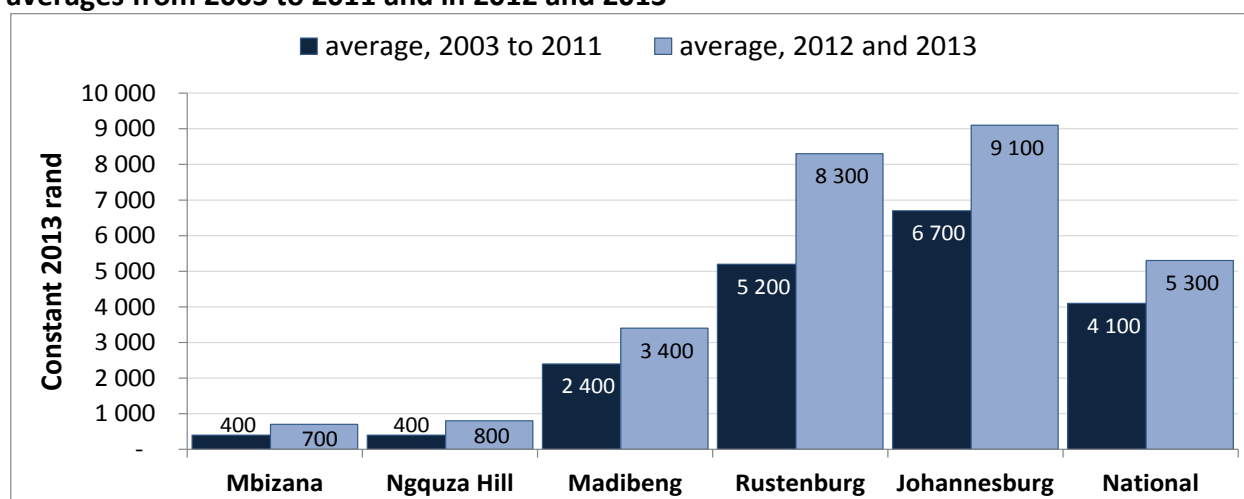
Three factors made governance difficult in the platinum belt: relatively low levels of revenue to finance operational and capital expenditure; the persistence of triple authority systems, with “traditional” leaders and mining companies controlling much of the land; and capacity shortfalls. We here deal with each in turn.

### a. Municipal finances

Twenty years after the transition to democracy, despite a substantial increase in redistribution through the municipal equitable share of national revenues, local governments in rural areas, especially in former “homeland” regions, generally had far less to spend than those in other regions. In mining areas, limits on local government’s right to tax the mines added to the challenge.

In 2012 and 2013, Rustenburg saw an extraordinary increase in spending. In 2013, it actually exceeded Johannesburg in spending per person – but it also ran a deficit of around R500 million, or almost a quarter of its revenues. As Graph 8 shows, from 2003 to 2011 per person expenditure in Rustenburg and Madibeng was far below that in Johannesburg, although it was between six and 10 times higher than municipal spending per person in the labour-sending areas, represented here by Mbizana and Ngquza Hill in the Eastern Cape.

**Graph 8. Municipal operational and capital budgets per person, in constant 2013 rand, averages from 2003 to 2011 and in 2012 and 2013**

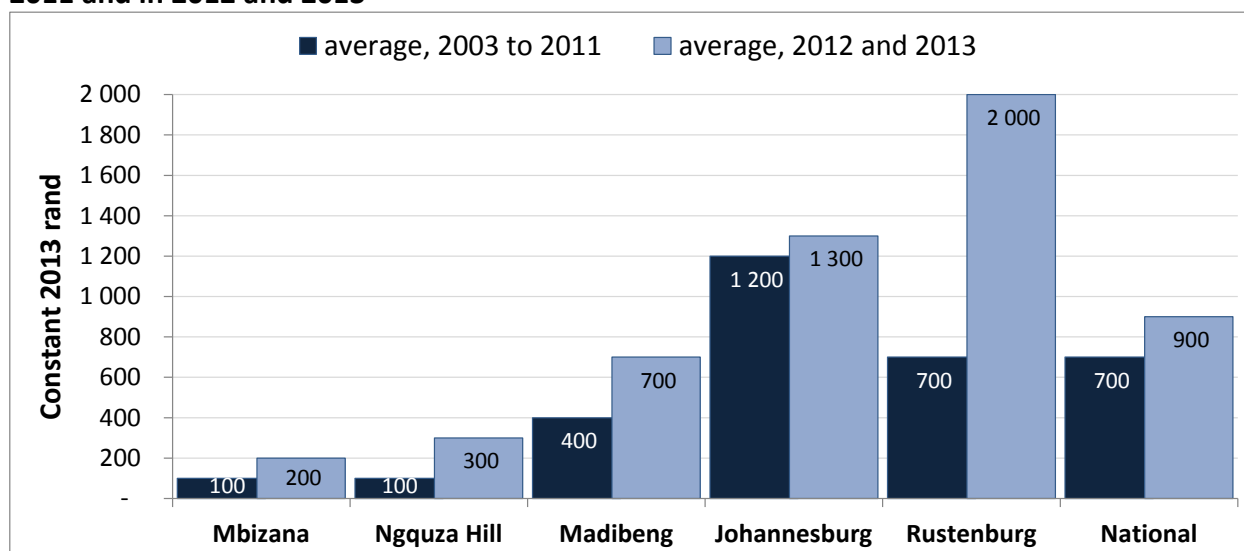


Source: Calculated from National Treasury, reports under s71 of the Municipal Finance Management Act, high level summaries of expenditure for the relevant years, series on operational and capital expenditure. Data in Excel format downloaded from [mfma.treasury.gov.za](http://mfma.treasury.gov.za) in November 2014. Estimates for municipal population from Quantec, standardised regional series, series on population. Downloaded from [www.quantec.co.za](http://www.quantec.co.za) in November 2014. Budget data deflated using re-based CPI for relevant year from Statistics South Africa, Table B1 – CPI headline index numbers (Dec 2012 = 100). Downloaded from [www.statssa.gov.za](http://www.statssa.gov.za) in February 2014.



For most of the 2000s, municipal capital expenditure in Rustenburg and Madibeng lagged far behind Johannesburg in per person terms. Despite extraordinarily rapid in-migration, from 2003 to 2011 Rustenburg only spent at the national average on infrastructure per person. For its part, Madibeng spent around 40% less per person. Again, the labour-sending areas fell even further behind.

**Graph 9. Municipal capital budgets per person, in constant 2013 rand, averages from 2003 to 2011 and in 2012 and 2013**



*Source:* Calculated from National Treasury, reports under s71 of the Municipal Finance Management Act, high level summaries of expenditure for the relevant years, series on capital expenditure. Data in Excel format downloaded from [mfma.treasury.gov.za](http://mfma.treasury.gov.za) in November 2014. Estimates for municipal population from Quantec, standardised regional series, series on population. Downloaded from [www.quantec.co.za](http://www.quantec.co.za) in November 2014. Budget data deflated using re-based CPI for relevant year from Statistics South Africa, Table B1 – CPI headline index numbers<sup>1</sup> (Dec 2012 = 100). Downloaded from [www.statssa.gov.za](http://www.statssa.gov.za) in February 2014.

In 2012 and 2013, Rustenburg saw a rapid increase in capital spending, which tripled in constant terms (Graph 9). As a result, capital expenditure rose from 13% of the municipal budget to 24%. That compares to a national average of 17%, which remained virtually unchanged from 2003. Capital expenditure in Madibeng climbed from 17% to 19% in this period. While the labour-sending areas spent a much higher share of their total spending on investment – between 25% and 35% from 2003 to 2013 – the absolute amounts were far lower than in the platinum belt.

A central reason for the discrepancy in municipal spending per resident lay in the sources of revenue. In the former “homeland” areas, most residents could not afford rates or tariffs for services. In Rustenburg and Johannesburg, rates and tariffs accounted for over 80% of operational expenditure. In contrast, in Madibeng – where half the population lived on land that before 1994 belonged to a “homeland” – grants made up almost 30% of operational expenditure in 2013/4. In Mbizana and Ngquza Hill, the figure for grants was between 60% and 80%.

Limits on municipal taxation of the mines added to the problems of municipalities in the platinum belt. Until recently, municipalities could not levy property taxes on land beyond the urban fringe, which meant mines outside of core cities did not pay local taxes. Amendments to

the Municipal Property Rates Act allowed municipalities to set a rate for land used for mining from 2015. But the Act limited taxation to the value of the land and infrastructure above the surface. In effect, it excluded from the local tax base the value of both mining rights and underground mining investment, which generally constituted the mines' greatest assets on the land. (Ledger 2015)

In addition, in contrast to most other enterprises, the mines generally obtained electricity and water directly from bulk suppliers. That meant they did not pay municipalities for these services, further limiting revenue for mining towns.

### ***b. Divided municipal authority***

Local government authority in the platinum belt was divided between the elected municipalities and ethnic "traditional" authorities in the former "homeland" regions. In addition, national authorities often regulated mining companies' activities in ways that profoundly affected the municipalities.

"Traditional" authorities generally would not allow migrants to own land, access RDP houses<sup>10</sup> or operate businesses in their territories. Yet around the mines, non-Tswana speakers were often in the majority.

A far larger share of informal settlements in the platinum were on "traditional" land – essentially former "homeland" regions – than in the rest of the country. In Madibeng, almost 60% of the population lived on land considered "tribal or traditional", and close to 70% of informal housing was on this category of land. In Rustenburg, 30% of residents lived on "tribal or traditional" land, which housed some 40% of informal housing. Nationally, only 11% of informal housing was on "tribal or traditional" land, and in Gauteng the figure was just 1%.

A report published by the Royal Bafokeng Nation (RBN) noted that,

"...non-Bafokeng living on RBN land cannot legally apply for a residential or commercial stand, and are consequently dependent on Bafokeng landlords. In certain instances land tenure by non-Bafokeng is illegal, or not secured by the necessary legal documents. The findings also show that non-Bafokeng households are far more likely to live in corrugated iron dwellings in comparison to Bafokeng households." (RBN 2012, Section 3, p 11)

The Royal Bafokeng Nation was able to provide municipal services in its areas because it received royalties from Implats. (Rustenburg Local Municipality 2012, p 7) Moreover, Implats focused its corporate social investment on Bafokeng residents. In 2011, around a third of the 140 000 residents on Bafokeng land were non-Bafokeng, with a much higher share near the mining centres. Some 90% of Bafokeng residents had piped water, while virtually none relied on a tanker or had no source of water. In contrast, 42% of non-Bafokeng residents on Bafokeng land had no piped water and 8% relied on tankers. (RBN 2012, Section 3, p 13)

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<sup>10</sup> The government's subsidised housing programme was also known as the RDP programme, named after the Reconstruction and Development Programme adopted at the transition to democracy in 1994.

In the Nkaneng neighbourhood of Wonderkop, “traditional” authorities told the Department of Human Settlements that they would not permit development on “tribal” land to benefit migrant workers. They would accept benefits only for Tswana speakers. At the same time, they demanded houses, water, electricity and sanitation in land under their jurisdiction. (DHS 2013, p 44)

As a result of this attitude, only Tswana-speaking people in Nkaneng were allowed to get state-subsidised housing, according to women from the Sikhala Sonke organisation. The local “traditional” leader would not cede any land to miners and their families from the Eastern Cape, making it impossible for them to build their own housing, much less to obtain it from the state. (Naicker 2013, p 22)

The restrictions imposed by “traditional” authorities on in-migrants from other parts of South Africa were presumably a factor behind the relatively slow growth of settlement in their areas. Taken together, the population in the “traditional” areas of Rustenburg and Marikana climbed by 40% between 1996 and 2011, while the rest of the region grew by 80%. The share of Tswana speakers in the “traditional” areas fell from 67% to 57%, but in the rest of Rustenburg and Madibeng it dropped from 54% to 41%. Of the 10 fast-growing areas in the platinum belt listed in Annexure B, Majakaneng, Hebron, Phokeng and Klipgat were on tribal land. Phokeng and Klipgat grew by under 50% from 2001 to 2011, while Majakaneng grew by 101% and Hebron by 49%.

Clearly, differentiation in citizenship rights based on ethnicity was unsustainable and unacceptable in a post-apartheid system. As discussed below, it caused tensions and divisions between migrants and other residents. But it also added to the burdens on elected leaders, making it harder for them to coordinate service delivery and ensure standards for all the people of the platinum belt.

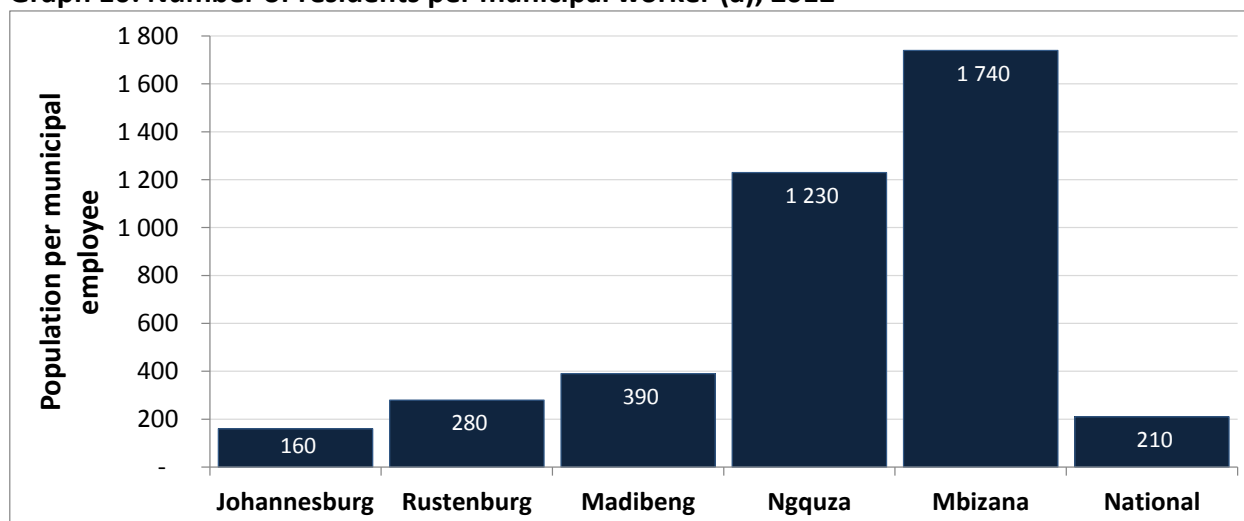
The power of the mining companies and the national regulatory framework for the mines also complicated the delivery of services. In group interviews in the platinum belt, participants argued that the structures and institutions of governance did not allow for communication or representation between municipal officials, the mine companies, mine employees and the national government. Decisions about how mines would expand shafts often affected municipal infrastructure plans, but were determined by national departments and the mines, not the local officials. As a result, the municipalities refused to invest in infrastructure in the areas near the mines where mineworkers tend to settle. Use of water and pollution by the mines were also controlled at a national level. In the group interviews, miners argued that even if they had more influence with municipalities, they could still be ignored by national departments and the mines themselves.

### *c. Municipal capacity constraints*

The platinum-belt municipalities themselves suffered from capacity constraints, as might be expected given limited budgets. This situation was reflected in comparatively low staffing levels. In 2012, Rustenburg had one employee for around every 280 residents, and Madibeng had one for every 390. In contrast, in Johannesburg there was one municipal employee for

every 160 people. At the other end of the scale, in the labour-sending areas of the Eastern Cape every municipal employee had to serve over 1 200 residents (Graph 10).

**Graph 10: Number of residents per municipal worker (a), 2012**



*Note:* Excludes vacancies. *Source:* Calculated from, Statistics South Africa. Non-financial Census of Municipalities for the year ended 30 June 2013. Table 2.1. Data on employment including managerial positions. Estimates for municipal population from Quantec, standardised regional series, series on population. Downloaded from [www.quantec.co.za](http://www.quantec.co.za) in November 2014.

The strains on the administration in the platinum belt emerged from a review of the Integrated Development Plans (IDPs) for the Bojanala District Municipality as well as for Madibeng and Rustenburg. In all three sets of plans, the problem analysis often used out-dated figures. None provided projections for in-migration.

Furthermore, while the IDPs provided an assessment of shortfalls around water, electricity, waste removal and sanitation, none had a clearly defined plan to address them. They listed projects but did not assess progress toward overcoming deficits. The Bojanala plan called for an annual 7% improvement in access to services, but did not quantify how it would be achieved. (BPDM 2013b, p 124) In any case, if population continued to grow at around 2,5% in these areas, the targeted rate would see substantial improvements only in five to 10 years.

The Rustenburg IDP noted concerns about “the lack of a spatial planning framework and suitable land for housing development, as well as non-implementation of plans plus failure to align infrastructure provision with housing plans” (Rustenburg Local Municipality 2012, p 123).

The mining towns’ local-economic development and integrated development plans lacked specific information on the mining industry. For instance, the Bojanala IDP Review listed 12 challenges facing the mining sector, ranging from environmental issues to “degraded and improperly maintained bulk infrastructure” to failure to manage “the mining supplies manufacturing value chain” and the lack of opportunities for emergent mining investors (BPDM 2013a, p 53). Conspicuously missing were problems around labour relations and housing for miners.

In sum, the platinum belt municipalities bore the burden of providing for an influx of miners with a much lower level of resourcing and weaker institutions than the metros of Gauteng. The fact that much of their land fell under ethnic “traditional” authorities made the task even

harder. In these circumstances, they could not meet the financial costs and capacity requirements of rolling out viable settlements on the scale required.

### **3.2.3 Migrancy and citizenship**

Normally, a group of comparatively well paid, employed and cohesive citizens could ensure that their needs were met by local governments. But miners and their families coming into the North West, or indeed coming from the North West outside the platinum belt, were generally viewed – and indeed largely saw themselves – as outsiders, more or less temporary sojourners rather than permanent residents. This situation was aggravated by attitudes left from apartheid, which saw individuals as inherently belonging to and privileged in some regions rather than others. In these circumstances, neither municipal nor “traditional” authorities treated miners and their families as core constituencies.

The disenfranchisement of in-migrants was explicit when it came to “traditional” authorities. As discussed above, in-migrants were on the whole not allowed to buy land or operate businesses in areas controlled by these authorities. They were also not part of “traditional” power structures. In the Bafokeng areas, for instance, 74% of the Bafokeng were associated with a kgotla, but only 4% of the non-Bafokeng. Some 87% of Bafokeng knew the name of their councillor in the “traditional” structures, compared to 4% of non-Bafokeng. (RBN 2012, Section 3, pp 23 and 26)

The apartheid system established various levels of ethnic division that continued to affect decision-making and opportunities. Group-interview participants pointed out that even long-standing local residents were often excluded by the “traditional” authorities.

One participant came from near Taung with his parents as a small child. His family, however, was BaThlapeng rather than BaKgatla (“and we all know there is history between the BaThlapeng and the BaKgatla”). He graduated high school in Brits and successfully found work through the community-based Employment Forum “on a Bop mine”. However, when they realised he was BaThlapeng, his job was terminated. Moreover, he had to battle the “traditional” authorities for permission to buy land to build a two-room tin house, only to discover that the land they had allowed him to buy was badly affected by blasting from mine expansion. As a result, his house was cracked and might be subject to removal.

Another participant cited the case of a woman who came with her family in the 1960s, as a young teenager, from the Eastern Cape to then-Bophuthatswana. She had never returned, did not know where her home village was or indeed if it still existed, and had lived for the past half century in an area defined as Tswana. Yet according to the “traditional” authorities, she was still an outsider with no standing in their structures.

A further challenge arose from the mines’ efforts to improve their treatment of local people, as required by the Mineral and Petroleum Resources Development Act (MPRDA) and the Mining Charter. For the companies, these efforts apparently translated largely into collaboration with “traditional” authorities. The Royal Bafokeng held shares in Implats, and Lonmin provided shares to the Bapo Bo-Mogale “traditional community” located near its mine – a community it

noted was “surrounded by formal settlements and burgeoning informal settlements of transient [*sic*] migrant workers...” (Lonmin 2013, p 63). This approach risked privileging “traditional” leaders and long-standing residents over the mines’ own employees. For instance, the mines provided infrastructure and development programmes for “traditional” shareholders while their workers lived in squalor.

In the group interviews, some local long-term residents explained at length that many people with a “pure” clan background rejected the ruling tribal authorities. They maintained these “traditional” authorities had been promoted into senior positions by colonial and apartheid governments, and more recently gained power from relations with mine companies and the state.

It appeared that miners also had little influence in the democratic municipal structures, in part because many did not vote. Figures for the entire population of Rustenburg and Madibeng are not available. In terms of people living on Bafokeng land, however, in the 2009 general election 79% of the Bafokeng voted, compared to 46% of the non-Bafokeng. (RBN 2012, Section 3, p 27) Only 9% of Bafokeng knew the name of their municipal councillor, much lower than for their councillor in “traditional” structures. For non-Bafokeng, the figure is even lower, at 4%. (RBN 2012, Section 3, p 26) As the Royal Bafokeng Nation report noted, “with less knowledge of local councillors and other local leaders, non-Bafokeng are less aware of the avenues for pursuing grievances, compared to the Bafokeng population” (Section 2, p 12).

According to a group-interview participant, representatives of one informal settlement approached the municipality for electricity. The authorities responded that their records showed only one person living in the area, so it would not provide any services. Evidently the 400 residents in the settlement were not registered to vote.

In the group interview in Mmakou, near Elands mine in Madibeng, participants said that the municipality had promised to build 300 RDP houses. There were, however, 299 residents on the waiting list and another 3 000 miners who were not on a waiting list at all. Participants feared this situation would lead to conflict between “established” residents and more recently arrived workers.

In Nkaneng, from around 2010, Xhosa-speaking residents campaigned to register so that they could elect someone to represent them. They successfully elected Paulina Masutlho, who had been an ANC activist in the Eastern Cape. A few weeks after the Marikana massacre, she was shot by police with rubber bullets in the leg and stomach while standing outside a community meeting. She died in hospital, apparently from the after effects, on 19 September 2012.

As is often the case, the experience of crime also took on an insider/outsider frame. For its part, the Bojanala District Municipality IDP started a list of factors behind crime with:

“Huge number of people influx [*sic*] the area seeking employment;  
“The mining industry creates a potential environment for criminal activities...”  
(BPDM 2013b, p 77)

Meanwhile, miners from outside the North West often felt less safe, both because many lived in informal communities with poor lighting and infrastructure, and because they were socially

insecure. Some 11% of non-Bafokeng felt “very unsafe” in their communities, compared to 3% of Bafokeng in 2011. Non-Bafokeng were twice as likely to have suffered from crime. (RBN 2012, Section 2, Figure 2)

A further problem was that schools in the North West largely taught primary grades in Tswana. For migrants from other parts of South Africa, this policy in itself formed a deterrent to bringing their children to stay with them. Moreover, as a long-term Tswana-speaking resident pointed out in a group interview, in areas like Wonderkop, where many Xhosa and Zulu speaking children attended school, efforts to teach only in Tswana disrupted learning for all the pupils. She suggested that in these areas teachers should be encouraged to “treat this like Soweto,” switching from one language to another to meet each child’s needs.

In any case, settlements around the mines typically lacked adequate schools and recreational facilities, as noted above. The Madibeng IDP noted that, “Current housing planning does not include the provision of appropriate social facilities and interaction with relevant delivery agencies” (Madibeng 2012, p 59).

In short, miners were often effectively denied not only services and housing, but also a feeling of agency and belonging in communities in the platinum belt. They blamed the mines as much as the state for failing to address this situation. Naicker notes their “frustration with being continually ignored by government and Lonmin based on their ethnicity...” (Naicker 2013, p 23).

Naicker describes Sikhala Sonke, which was founded in 2012 after the Marikana massacre as a women’s solidarity and action group, as a response to this powerlessness. According to her, the organisation offered residents “help with identity documents; complaints about the councillor; rape; domestic abuse; and other forms of social services” that they felt the municipality denied them. It also lobbied for a gravel road into Nkaneng (Naicker 2013, p 24).

Sikhala Sonke demonstrated the importance of women migrants who came to the mines, whether to work or join their partners, in building communities and the local economy. As Naicker (2013, pp 28-9) pointed out, the discourse about migrant labour on the mines often presented a caricature of women as “on the edge of urban deviance,” portrayed almost exclusively as “prostitutes, mistresses or beer-brewers, or ... common women whose contributions are only sexual”. This conceptualisation of women’s role denied them agency and indeed humanity, portraying them only as powerless adjuncts to their partners.

The disaffection of communities with municipal government had very practical consequences, in the form of service delivery protests and payment boycotts as well as workplace tension. According to the Department of Co-operative Governance, through early 2014 “the Madibeng Local Municipality had a poor relationship with its communities and other stakeholders.” The Rustenburg 2012 IDP noted non-payment results from rising tariffs, especially for electricity, combined with boycotts and a “culture of non-payment by communities,” to the point where the municipality could find it hard to meet its debt costs (Rustenburg Local Municipality 2012, pp 127-8).

### 3.3 Conditions in the labour-sending areas

With the end of apartheid, the artificial residential restrictions of apartheid began to crumble as millions of South Africans reshaped the national geography through their decisions on where to live and work. The main shift occurred as families left the former “homeland” regions of KwaZulu-Natal and the Eastern Cape to move to Gauteng, the expanding platinum and coal mining areas and, to a lesser extent, the Western Cape.

This section first reviews the available data on migration from the labour-sending areas since the transition to democracy. It then summarises the main findings from group interviews in labour-sending areas of the Eastern Cape. Participants pointed to the lack of alternatives to migration to economic centres. A persistent complaint was that after miners left the mines, they and their families still found it difficult to get their company pensions and disability payments as well as healthcare for occupational diseases.

#### 3.3.1 Re-shaping apartheid settlement patterns

In 2014, around a third of the population of South Africa lived in former “homeland” regions, which had covered a seventh of the country’s land area. Under colonial and apartheid rule, these regions were delineated largely to exclude urban centres, good agricultural land and water. Over decades, they were deprived of investment in both social and economic infrastructure. Moreover, from the 1950s through 1994, the state expelled to them millions of people from farms and cities in the rest of South Africa.

As a result of this history, in 1994 the former “homeland” regions suffered extraordinary shortcomings in economic, social and governance institutions and infrastructure. That, in turn, led millions to leave for the urban centres. According to Census data,<sup>11</sup> from 1996 to 2011 the population of the former “homeland” regions – designated as “tribal or traditional” land by Statistics South Africa – rose by 8%, while the population of the rest of the country climbed 40%.<sup>12</sup> The share of South Africans in the former “homelands” dropped from 38% to 32% from 1996 to 2011. The share of Africans dropped from 49% to 40%.

Out-migration from the former “homeland” regions varied by region. Graph 11 shows growth rate by type of region and province, and by gender for working-age people. It indicates that:

- Outmigration was strongest for children, as families moved to join working parents, with an absolute decline in the number of people aged under 18 and over 64 in the former “homeland” regions:

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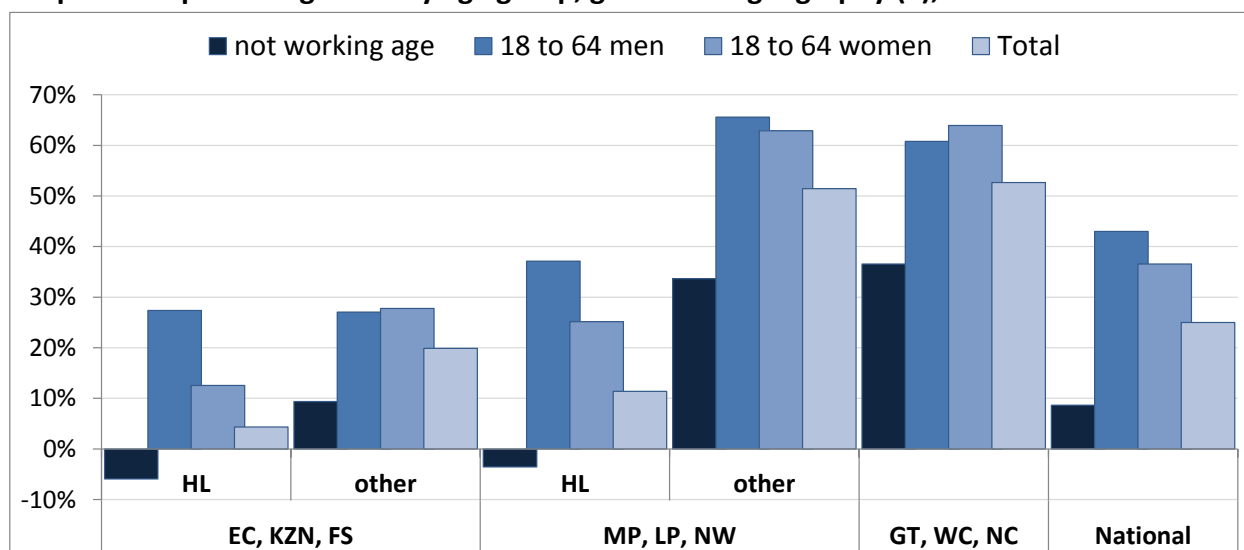
<sup>11</sup> The 1996 Census did not distinguish figures by geographic type, which was introduced in the 2011 Census. Statistics South Africa provides the 1996 data according to 2011 boundaries, however. The figures for former “homeland” areas used here for 1996 relate to wards with over 51% of the population on “tribal or traditional” land in 2011. In the event, most towns are either entirely on one side or the other of these boundaries. In 85% of the wards considered part of the former “homeland” areas in these data, 90% of the population lived in within former “homeland” boundaries.

<sup>12</sup> There was also substantial migration from villages to towns within the rural areas. Towns with over 15 000 residents in the former “homeland” regions grew by 44% from 1996 to 2011, while other areas in the former “homelands” grew by 17%.



- Women were more likely to leave the former “homeland” areas than men, reflecting the fact that their access to urban areas was more strongly restricted under apartheid: and
- The Eastern Cape, KwaZulu-Natal and the Free State saw the slowest population growth, with the fastest in the relatively well-off provinces of Gauteng and the Western Cape. Outside of their “homeland” regions, Mpumalanga, Limpopo and the North West saw even more rapid in-migration, especially of working-age men, due in large part to the expansion of platinum and coal mining.

**Graph 11. Population growth by age group, gender and geography (a), 1996 to 2011**



*Note: (a) Former “homeland” areas include all wards where at least 51% of the population lived on areas considered “tribal or traditional” in the 2011 Census. EC = Eastern Cape, KZN = KwaZulu-Natal, FS = Free State, MP = Mpumalanga, LP = Limpopo, NW = North West, GT = Gauteng, WC = Western Cape, NC = Northern Cape. Source: Calculated from 2006 and 2011 Census data, series on age, gender, employment, geography and geography type, in Statistics South Africa Super Web facility. Downloaded from www.statssa.gov.za in January 2015.*

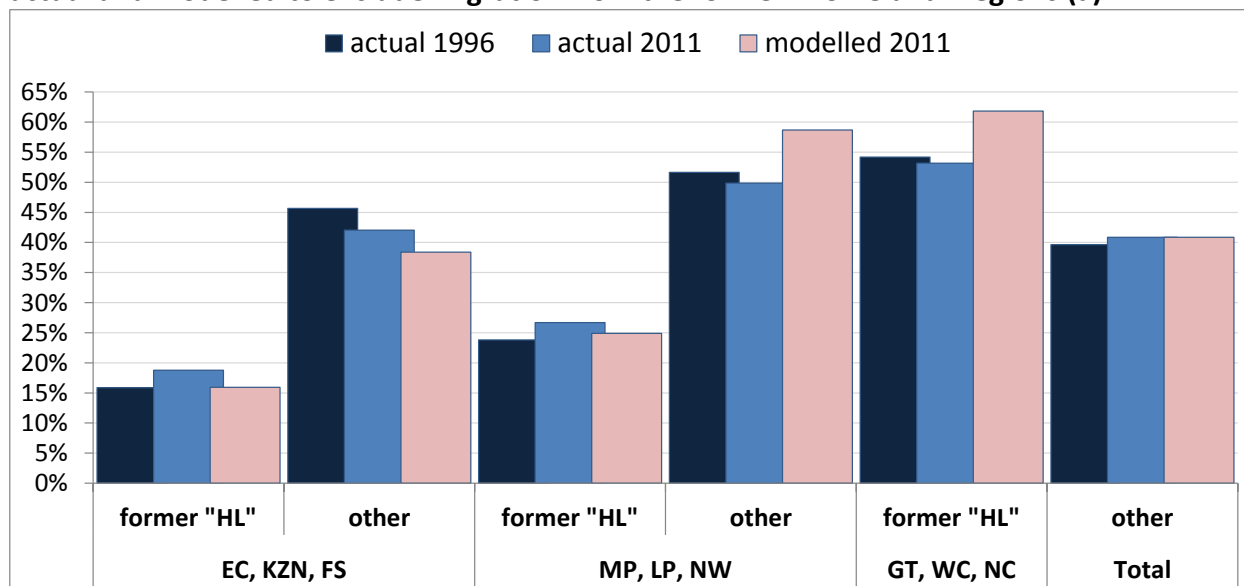
Migration from the labour-sending areas responded to the economic realities facing workers and their families. While conditions improved in the former “homeland” regions after 1994, they continued to offer far less economic opportunity than the long-standing industrial centres. In these circumstances, the booming demand for workers in the platinum belt was bound to attract workers, especially from labour-sending areas with historic links to the mining industry, and especially from provinces where job growth was comparatively slow.

Census data underscore the lack of opportunities in the labour-sending regions long after the end of apartheid.

In 1996, less than half of all households in the former “homeland” regions as a whole had an employed family member at home. In the rest of the country, on average over one person per household was earning an income. The share of adults aged 18 to 64 with employment in the former “homeland” areas was just 20%, compared to 51% in the rest of the country. The result was substantial out-migration from the former “homeland” regions, especially but not exclusively by men. Working age men constituted only 18% of the population in the former “homelands” in 1996, but 30% in the rest of the country. Working-age women made up 25% of the population in the former “homeland” areas, compared to 30% in the rest of the country.

Fifteen years later, in 2011, the employment gap persisted. The out-migration of working-age adults from the former “homelands” led to some improvement in the employment ratio there, while lowering the employment ratio in the rest of the country. The employment ratio in the former “homelands” climbed to 23%, but it was 49% in the rest of the country.<sup>13</sup> If the population had grown uniformly across the country, however, the employment ratio would not have improved in the former “homeland” areas at all, while it would have increased to 62% in the rest of the country, as Graph 12 shows. The graph also points to the relatively slow growth in employment in the coastal provinces overall.

**Graph 12. Share of employment for adults aged 18 to 64 by geographic area, 1996 and 2011, actual and modelled to exclude migration from the former “homeland” regions (a)**



*Note:* Modelled by applying the national rate of population growth to all regions but assuming that employment growth remained unchanged. Former “homeland” areas include all wards where at least 51% of the population lived on areas considered “tribal or traditional” in the 2011 Census. *Source:* Calculated from 2006 and 2011 Census data, series on age, employment, geography and geography type, in Statistics South Africa Super Web facility. Downloaded from [www.statssa.gov.za](http://www.statssa.gov.za) in January 2015.

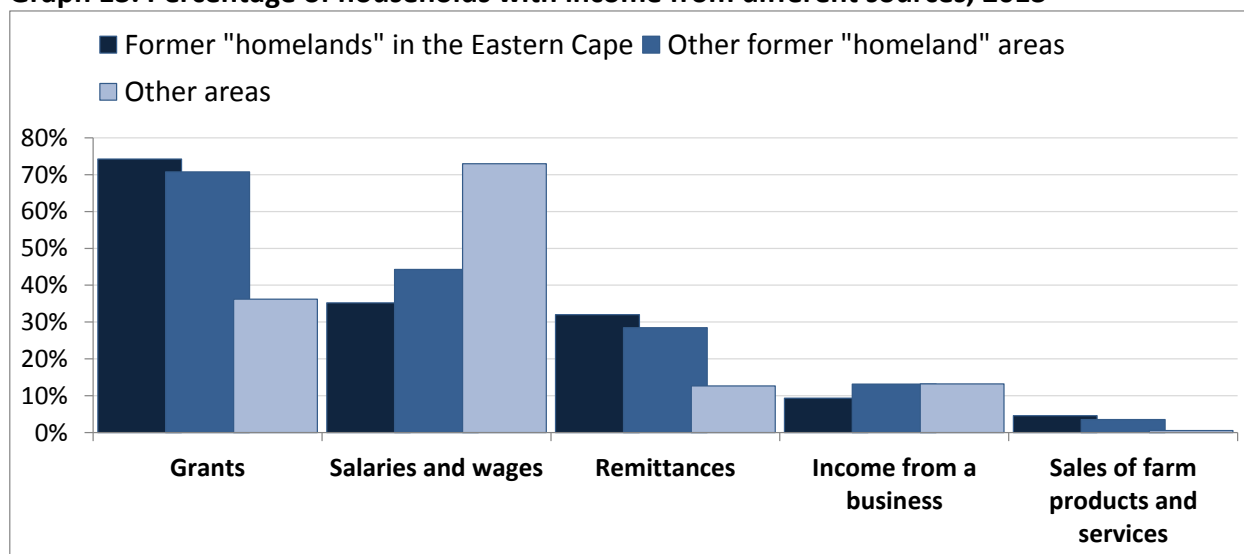
From 1996 to 2011, the relatively rapid out-migration of families as well as the growth of mining in former “homeland” regions in the Northern provinces meant that the share of working-age people climbed despite relatively slow growth in the total numbers. In 2011, men aged 18 to 64 made up 22% of the population in the former “homelands,” compared to 32% in the rest of the country. Working age women comprised 28% of the population in the former “homelands,” but 32% in other regions.

As Graph 13 shows, while relatively few households in the former “homeland” areas had employed people in residence, around 30% received remittances from family members living outside the area. In the Eastern Cape, around a third of households had someone in residence

<sup>13</sup> Statistics South Africa’s Quarterly Labour Force Survey, which is the preferred source for employment data, shows a higher employment ratio in both regions. For the sake of comparability, however, we used the 2011 Census data, since the Labour Force Survey only started in the early 2000s and did not initially include geographic variables.

working, and a similar share received remittances from family members not living in the household.

**Graph 13. Percentage of households with income from different sources, 2013**

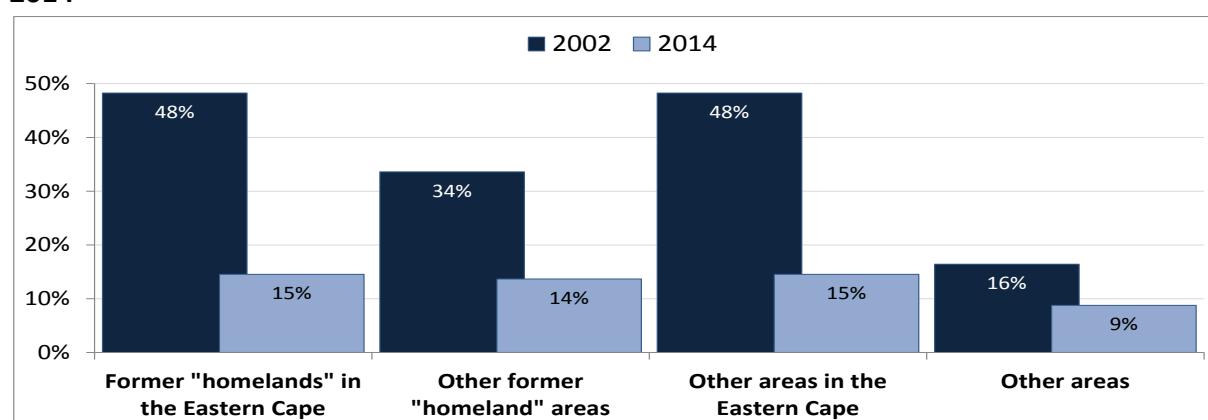


Source: Calculated from Statistics South Africa. General Household Survey for 2013. Series on social grants, salaries/wages/commissions, remittances, income from a business and sale of farm products, province and geography type. Electronic databases downloaded from Nesstar facility at [www.statssa.gov.za](http://www.statssa.gov.za) in November 2014.

After 1994, social grants became an increasingly important source of income in the former “homeland” regions. By 2013, over 70% of families in these areas received a social grant, compared to 36% in the rest of the country. This reflected both low incomes in the former “homeland” areas and the relatively large share of children, elderly and disabled people living there.

The increase in social grants combined with moderate increases in employment and incomes both in labour-sending areas and outside of them had an extraordinary impact on poverty in the former “homelands.” As Graph 14 shows, the share of adults going hungry dropped dramatically between 2002 and 2014.

**Graph 14. Share of households where adults (a) went hungry at least sometimes, 2002 and 2014**



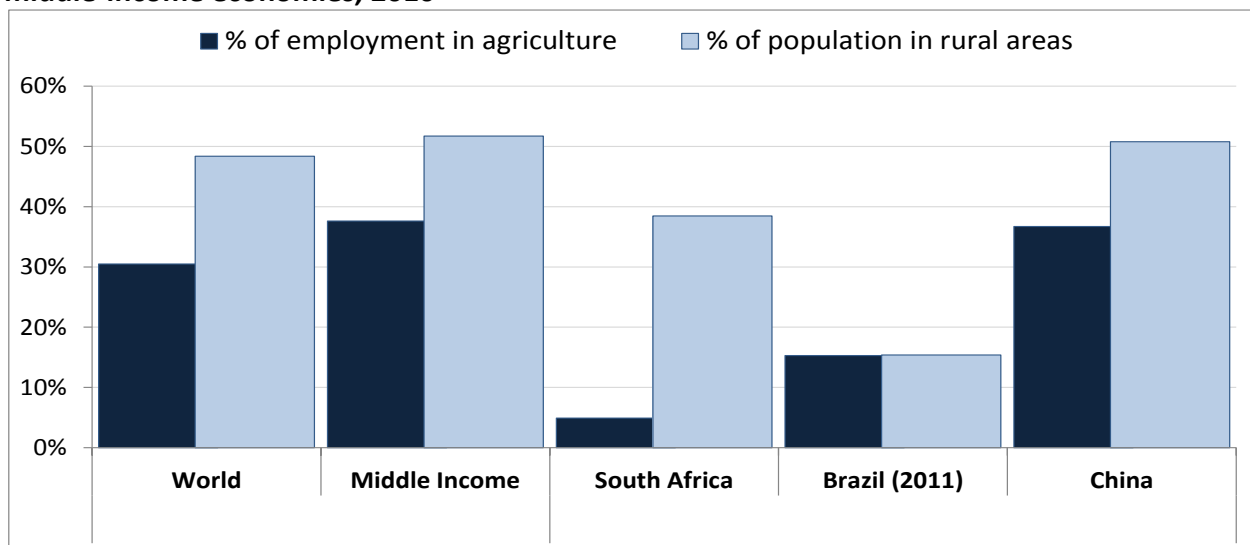
Note: (a) A similar trend applies to child hunger. Source: Calculated from Statistics South Africa. General Household Survey for 2002 (revised) and 2014. Question on whether there is insufficient food for adults, type of geography and province. Electronic databases downloaded from Nesstar facility at [www.statssa.gov.za](http://www.statssa.gov.za) in November 2015.

Even with remittances and social grants, throughout the democratic era household incomes in the former “homeland” regions were lower than in the rest of the country. In 2014, the median household income in the former “homeland” regions was just under R3 000 a month, compared to R6 000 in the rest of the country. In the former “homeland” parts of the North West and the Eastern Cape, it was R3 000.<sup>14</sup>

The migrant labour system was historically legitimised by the idea that people in the labour-sending areas contributed to the household income by farming. In fact, very few people in the former “homelands” earned any income from agriculture or raised significant amounts of food. Some 1,2 million adults in the former “homelands” said they did some farming in 2012. But 80% spent less than an hour a day on it and less than one in a thousand said it was their main source of income. In other words, family production did very little to supplement miners’ wages or provide an economic reason for families to stay in the rural areas (calculated from Statistics South Africa 2012, series on access to agricultural land, main source of income, and type of geography).

The way apartheid shaped the former “homelands” as rural areas without agriculture, and consequently labour-sending regions, emerged from the low share of agricultural employment compared to the size of the rural population. As Graph 15 shows, by international standards the gap was unusually large in South Africa.

**Graph 15. Employment in agriculture compared to rural population, South Africa and other middle-income economies, 2010**



Note: (a) Data for 2011. Sources: Except for South Africa, calculated from World Bank. World Development Indicators. Series on middle and high income economies, percentage employment in agriculture and share of population in rural areas. Downloaded from databank.worldbank.org in April 2014. For South Africa, calculated from Statistics South Africa. Labour Market Dynamics 2010. Series on employment by main industry. Electronic database. Downloaded from www.statssa.gov.za in April 2014.

The situation in Mbizana and Ngquza Hill, two leading labour-sending areas for the platinum belt, demonstrates why so many men were willing to brave the harsh conditions on the mines. Each of these districts had a population of 280 000 in 2011.

<sup>14</sup> Calculated from Statistics South Africa 2015, series on household incomes, geography and province.

To start with, less than 15% of adults in these areas were employed in 2011. That is low even for the former “homeland” regions, and far below the national average of 40%. Moreover, when people had employment, their incomes were poor. Nationally, half of all employed people earned R3 200 a month or less in 2011, compared to two thirds in Mbizana and Ngquza Hill. In contrast, in Marikana, Freedom Park and Wonderkop in the platinum belt, the figure was 40% – and well over half of all adults had a job.

In consequence, the two Eastern Cape districts were model labour-sending areas, and virtual mirror images of the platinum belt in terms of their demography. Because of out-migration, only half the population was of working age, compared to two thirds nationally – and four fifths for Marikana, Freedom Park and Wonderkop. Over 40% of residents in Mbizana and Ngquza Hill were under the age of 15, compared to a national average of 30% and about 20% in the three platinum belt settlements. Moreover, 54% of the population in Mbizana and Ngquza Hills were women, compared to the national average of 51%. Mbizana and Ngquza Hills also had a somewhat higher rate of disability – over one person in 20 – than the national norm.

Both the labour-sending areas and the platinum-belt settlements had relatively low levels of education. In Mbizana and Ngquza Hill, under 20% of adults over 20 years old had matric, compared to the national average of 40%. Only about 20% of residents in Wonderkop and Freedom Park, and 27% of residents in Marikana, had matric or higher.

Both the labour-sending areas and the platinum-belt settlements also had poor or non-existent municipal services. The difference was that in Mbizana and Ngquza Hill, housing was “traditional” rather than informal, and the population density was much lower. There were around 20 households per square kilometre, compared to 250 in Wonderkop, 670 in Marikana and more than 2 000 in Freedom Park. Over half the households of Mbizana and Ngquza Hill lived in “traditional” housing. Another 25% to 30% lived in stand-alone formal housing – a lower share than in the platinum belt. Virtually none were in informal dwellings.

Like informal housing, “traditional” housing generally meant inadequate municipal services. Over 40% of the households in Mbizana and Ngquza Hills had only an unimproved pit toilet, while another 30% had improved pit toilets. Virtually none had a flush toilet on site, compared to a national average of 57%. Moreover, one in seven households had no toilet facilities at all.

Similarly, less than 10% of households in Mbizana and Ngquza Hills had running water on site. Some 85% had only unimproved water sources – a river, spring or well. And 95% did not have any rubbish removal. Just over 60% of households in Mbizana and Ngquza Hills had electricity for lighting. That compares with the national average of over 80%. As noted in section 3.2.2, municipal spending on both services and investment was far lower in the labour-sending areas than in the platinum belt. That meant backlogs in water, electricity and sanitation were only being addressed very slowly.

Finally, as might be predicted, household incomes were lower in Mbizana and Ngquza Hills than in the platinum belt settlements, as well as lagging the country as a whole. While 63% of all households lived on less than R38 400 a year in 2011, in Mbizana and Ngquza Hills the figure was 84%. In the platinum belt settlements, it was under 50%.

In this context, the recruiting networks set up by the mines under apartheid continued to focus on traditional labour-sending areas. According to Implats, “the reality is that the best mining skills in South Africa have traditionally come from Lesotho, Mozambique and the Eastern Cape” (2014, p 26).

The recruitment agency that had facilitated migrant labour under apartheid morphed into TEBA after 1994. It continued to recruit people from the traditional labour-sending regions to go the mines. In 2014, it had 100 offices, mostly in the Eastern Cape, Mpumalanga, Limpopo and KwaZulu Natal, as well as in Lesotho, Mozambique and Swaziland, as well as a database of 1,3 million miners, former miners and their dependents (TEBA 2014).

While TEBA remained important, it had less impact on the platinum mines than on the older gold mines. In 2012, TEBA recruited around half of platinum employees, compared to 85% of gold miners. (Budlender 2013, p 5)

In sum, despite improvements in incomes, employment and social grants, economic opportunities remained scarce in the former “homeland” regions. Although they held a third of the population as a result of apartheid residential restrictions, these areas generally lacked adequate land and water for agriculture, had virtually no industrial base, and suffered from entirely inadequate economic, social and household infrastructure. The result was low levels of employment, incomes and living standards, and continued high rates of migration to the cities. The challenge for policy was to identify what economic opportunities were available in former “homeland” areas, which varied greatly in terms of potential, without raising false hopes that the rural areas generally could be transformed into industrial centres.

### **3.3.2 Living in the labour-sending regions**

Group interviews with retired and disabled miners and their families all took place in deep rural villages reached after long drives on dirt roads; not one had running water, all used pit latrines, and only one had electricity.

The group interviews demonstrated a startling continuity in perceptions about the mines from before 1994. Many of the participants were retired miners, who stopped working in the 1990s, while others had been employed after 2000. But they made similar, often bitter, comments about the employers, and in particular about levels of pay, the hardship of the work, and the difficulty of obtaining pensions and disability payments.

“I am standing here on behalf of the whole group, listening to the pains of the people here. I am bred and born here. Many people are of my age. They leave school and go to the mines to put food on the table. They come back damaged, unhealthy, in pain.”

“I was working at Lonmin – that mine that killed so many – I came back here in 2012, after being medically incapacitated after an injury at work. They said I could get pension from the mines’ pension fund, but I could not get it. I worked for 25 years in Lonmin. I was working there until one week before the strike, when I was sent home as medically unfit.”

A recurring theme was that payments for disability and death were hard to obtain both because of poor record-keeping and because of the difficulty of communicating with the relevant

offices. Participants did not see much difference in the circumstances of miners who got limited payouts before 1994 and after.

“So many organisations have promised to help us with benefits. We are going up and down, asked to go to Pretoria or Cape Town to look for benefits. At the end of the day some organisations give us food vouchers. One woman died in Pretoria after going there to seek benefits owed to her by the mines. The family asked the government to send her body back home – eventually, they sent it to Matatiele, about 45 kilometres from her home. The family could not afford to collect it from Matatiele.”

Disabled miners often could not find adequate healthcare in the labour-sending areas. In the OR Tambo district of the Eastern Cape, where many platinum miners came from, most had to travel over five kilometres to obtain any care. Only two hospitals, both in urban areas, served the 1,8 million residents of the district. That said, the rate of occupational disease in platinum appeared to be less than half as high as for gold, with around 1 550 cases reported in 2012.

Unpaid pensions for miners, mostly from the Mineworkers Provident Fund and the Living Hands Umbrella Trust, reportedly totalled over R4 billion in 2014, with up to 200 000 potential beneficiaries. Furthermore, the Compensation Fund had a total backlog of over 10 000. TEBA, which had 130 000 applicants from inside and outside South Africa, noted long delays due to the complexity of the application process, poor record-keeping by employers and the pension funds, and the cost of processing applications. (Creamer 2014; Creamer 2015)

In November 2014, to address the challenges facing disabled miners in particular, the major gold mining companies and the Department of Health launched Project Ku-Riha to establish one-stop facilities for medical examinations and referrals as well as compensation applications. (Department of Health 2015) A facility was established in Mthatha in 2015, but none of the group interview participants mentioned it.

### **3.4 Conclusions**

Circular migrancy to the platinum belt reflected the constrained choices facing miners, caught between poor living conditions and services where they worked and the lack of jobs in the former “homeland” regions. Fundamentally, it formed part of the gradual re-shaping of South Africa’s economic geography with the end of apartheid, which had maintained artificial and unsustainable settlements in the poorest regions of the country.

In this context, the response of miners, employers and the state built on the history of migrant labour. The persistence in practice of ethnic limitations on citizenship in much of the platinum belt, and especially the ability to procure land and build on it, was the most obvious legacy of apartheid. Perhaps even more important, the state, employers and workers themselves initially reacted to the mass influx of workers by assuming that the new residents were temporary and therefore did not require permanent housing. As a result, there was no coherent strategy to build adequate human settlements around the mines. That in turn made it harder for workers to bring their children to stay with them and reinforced the impression that they were only temporary sojourners.

## 4 Workplace relations

Apartheid long shaped work organisation and remuneration systems in mining. The resulting workplace was characterised by:

- Low wages for African workers, who also had virtually no chance of advancement through promotions or significant seniority pay;
- Unusually large gaps between miners and managers in terms of incomes, living conditions and communities;
- Top-down and hierarchical management, with whites dominating in supervisory and skilled positions, segregated facilities and deeply inequitable pay; and
- A lack of job security for African miners, and legal restrictions on unions.

This section examines the changes in each of these areas from 1994. The democratic era brought substantially improved pay, protection for workers' organisation, and more representative supervisors and skilled work. But supervisory and management practices remained largely unaccountable and often appeared discriminatory to workers. The mines employed a large number of contract workers, who had lower pay and job security than other miners. Moreover, a chasm persisted between workers and managers as a result of persistent economic and social disparities.

### 4.1 Remuneration

In group interviews, miners made it clear that they were acutely aware of the dangers and physical hardship of their jobs, which they felt required higher pay. One group interview participant said that, while life might have improved for people at the top, for ordinary workers,

“...it is still the same. You are working hard, you come up from underground, to this squatter camp, there is no electricity, no water, that situation; it is going to be critical each and every day, bad conditions underground and here on the surface.”

Another:

“Hard working conditions, risky working conditions, unhealthy working conditions; the fear of going down and not coming back; we are afraid, compared to what we are earning, we are earning too little... After one day in the mine, the government official won't want to go back again. This is our daily bread to be there, working under these conditions... Even most of us, if one of us can cough, you can see the lungs, how black it is.”

The widow of a miner killed at Marikana who was subsequently employed in a mine said that, “I do not think I will survive five years in this job, working underground. I think I will die here”.

From 1994, miners' pay increased substantially in real terms, although the increases levelled out when metals prices began to fall in 2011. Compared to other industries, however, inequalities remained profound, reflected among others in the low share of remuneration in mining incomes especially during the commodity boom. Moreover, most workers had few and very uncertain promotion opportunities and only a very small seniority notch, if any. These



factors meant that for the vast majority, the only way to achieve higher pay was to fight for a higher annual increase.

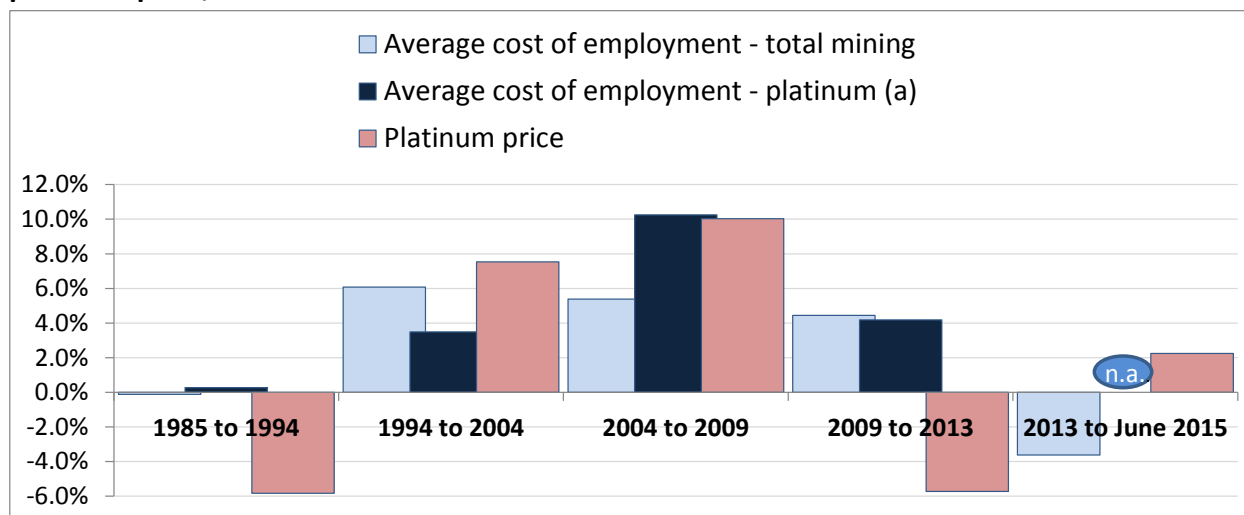
Long-term data on miners’ pay related mostly to the average cost of employment – that is, total remuneration plus benefits divided by the number employed – rather than to underground workers’ wages alone. Where payscales are highly inequitable, as in South Africa, average pay will be substantially above the median. Still, the data provide some insight into the broad trends in pay.

As Graph 16 shows, the average cost of employment largely mirrored changes in the platinum price. The slowdown from 2009 presumably fuelled the strikes in 2012 and 2014.

After 1994, ordinary miners won substantial increases in real pay as well as living out allowances, pensions and optional medical aids. In real terms, the average cost of employment remained virtually unchanged in the decade to 1994, but climbed by 3% a year through 2004. During the boom from 2004 to 2009, average annual earnings in platinum rose some 10% year above inflation. The decline in price saw earnings increase more slowly, despite the strikes, with an average increase of 4% above inflation – still strong compared to other sectors, but far below the previous five years.

Data are only available for all of mining after 2013, but the figures largely reflect platinum, which employed around 40% of all miners. For the industry as a whole, the average cost of employment declined in real terms from 2013 to mid-2015. In this period, commodity prices plunged in US dollars, despite a slight increase in rand due to a sharp depreciation.

**Graph 16. Average annual change in constant rand terms in average cost of employment and platinum price, 1985 to June 2015**



Note: (a) Data available only through 2013. Source: Calculated from DMR data on earnings and employment, downloaded from www.quantec.co.za in September 2014, series on provincial mining statistics. Deflated using CPI data from Statistics South Africa.

Relatively complex remuneration and benefit systems made negotiations more difficult. In 2014, entry-level platinum miners typically got:

- Just under R7000 in cash pay,
- A R2 000 living out (housing) allowance

- A holiday allowance or annual bonus of over R600
- Pension and medical benefits worth around R1500
- A production bonus based on the amount of extra area mined by a worker as well as the platinum price in rand.

Mostly because of the housing allowance, base pay came to only about 60% of the package before the bonus, compared to the normal benchmark of around 70%. In these circumstances, the employers' tendency to talk about the entire package was understandable. It meant, however, that miners had a hard time reconciling the figures they were told they earned with their actual take-home pay, especially after taxes.

In the group interviews, it became clear that many workers did not fully understand the production bonus, and in particular how it varied with the platinum price as well as the way it was taxed. Human-resource managers for the main employers did not, however, believe that miners were unclear on these issues.

It is noteworthy that the package did not include any seniority pay. Notches existed at one point but were reportedly removed sometime after 2000, in part because bonuses were linked to base pay and in part because they were understood (wrongly) to violate the principle of equal pay for equal work. While eliminating notches made for a simpler pay scale, it also meant that the only way workers could get an annual pay hike was through negotiations about the entire salary scale. That necessarily increased the pressure on wage negotiations.

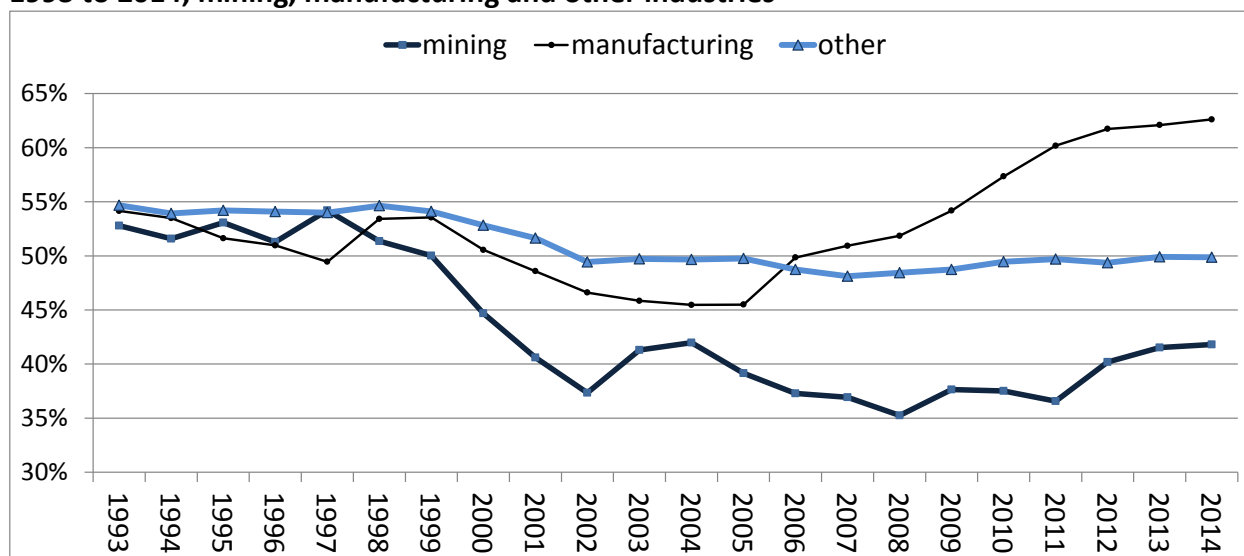
Employers often argued that the problem was not low pay for miners, but rather high levels of debt. In the event, the available information suggests that at least as of 2014 this perception was somewhat exaggerated. According to Implats representatives, 20% of their workers had garnishee orders, which exceeded 5% of salary for only 5% of the labour force. In the group interviews, no participants said they had major micro-finance debts. It is possible that debt levels had come down as a result of efforts made by companies and unions after 2012 to provide financial advice and limit garnishee orders.

## 4.2 Inequality

Although miners' pay increased rapidly in the mining boom, income from mining remained highly inequitable. In functional terms, the relative share of remuneration in total value added tended to fall when prices were high, as wage increases lagged profitability. For miners, the visible differences between their lives and those of (still predominantly white) executives and managers underlined the persistent inequalities.

Figures for the division of mining income between remuneration and profits are only available for mining as a whole. As Graph 17 shows, the share of remuneration – which includes managers' pay but not profits – in mining value add was consistently lower than in the rest of the economy from the late 1990s. It declined fairly steadily from 1994, plateauing around 38% during the commodity boom. It kicked up noticeably in 2012, when commodity prices fell while workers' pay continued to improve, although more slowly than earlier.

**Graph 17. Remuneration (including for managers) as percentage of value added at factor cost, 1993 to 2014, mining, manufacturing and other industries**



Source: Statistics South Africa. GDP data to 3rd Quarter 2015. Excel spreadsheet. Downloaded from [www.statssa.gov.za](http://www.statssa.gov.za) in November 2015.

From this standpoint, the 2012 and 2014 strikes can be seen in part as workers trying, belatedly, to gain a higher share of returns from the commodity boom. Unfortunately, just as workers' militancy increased after 2011, the rise in platinum prices came to a halt.

The average figures for remuneration masked continued deep inequalities. The mining companies did not publish their full payscales, but information on packages for chief executives was available. At the top three platinum companies, chief executives earned between R6 million and R11 million in 2014, including bonuses but not stock options. That compared to an average cost of employment at around R20 000 a month, and take-home pay (including the housing allowance and after tax) of about R8 000 a month for most underground miners.

In group interviews, miners generally saw race rather than class as the crucial driver of inequality, even though around two thirds of supervisors and skilled workers were African by 2015. For instance, one thought that 80% of all managers were white, when the figure is around 40% for middle and upper management and less than half for supervisors. Another argued that:

“We don't know people's salaries, that is supposed to be top secret. But as we see it, whites usually get higher pay than blacks, even in the same jobs.”

In the event, reports on employment equity by Implats and Anglo Platinum showed that managers and professionals in the platinum mines were still predominantly white, although supervisors and skilled workers were mostly African by 2015.

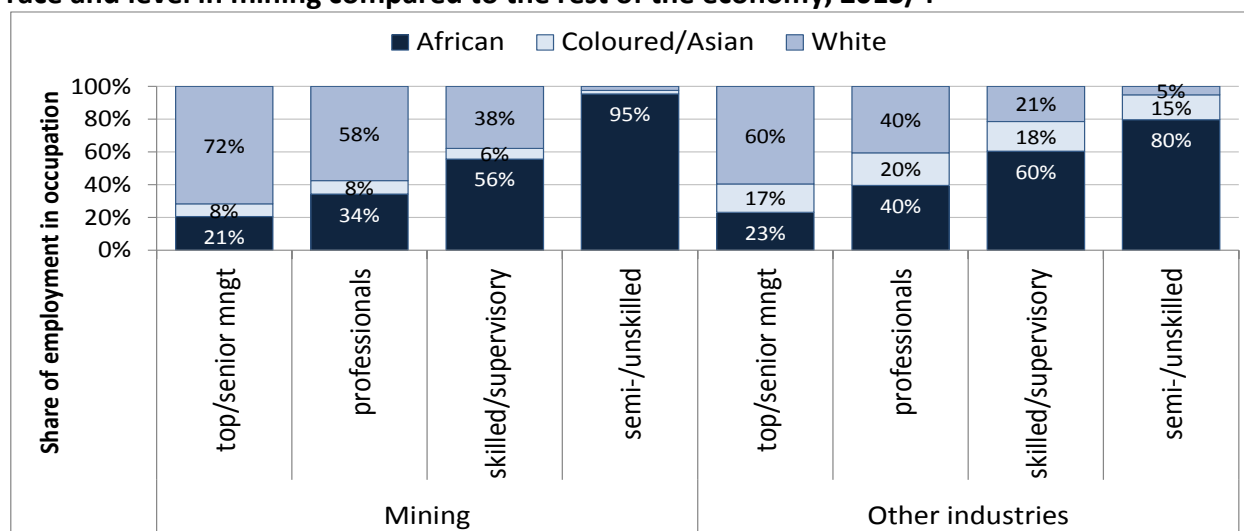
**Table 2: Employment by level, Anglo Platinum and Implats Rustenburg operations**

Level	Anglo Platinum, 2012		Implats, 2014 (Rustenburg only)	
	Number employed	Of which: % African	Number employed	Of which: % African
Top management	8	20%	1	100%
Senior management	333	23%	72	28%
Professionally qualified and experienced specialists and mid-management	2,121	34%	487	35%
Skilled technical and academically qualified workers, junior management and supervisors	6,829	56%	4,245	74%
Semi-skilled and discretionary decision making	35,933	90%	10,572	81%
Unskilled and defined decision making	4,269	69%	16,427	88%
<i>Total permanent</i>	<i>49,493</i>	<i>80%</i>	<i>31,804</i>	<i>83%</i>

Source: Anglo Platinum, Sustainability Report 2013, p 118; Implats, Sustainability Report 2014, p 96.

The share of Africans had risen substantially over the decade, and all of the platinum mines met the Charter target of at least 40% black and/or women management. Still, as Graph 18 shows, in mining as a whole whites had a larger share in senior positions. In part, this situation reflected the relatively weak participation of coloureds and Asians compared to other industries.

**Graph 18. Representivity in mining compared to the rest of the economy, Employment by race and level in mining compared to the rest of the economy, 2013/4**



Source: Calculated from Department of Labour, 14th Commission for Employment Equity. 2013 – 2014 Annual Report. Page 80.

Miners saw that managers and shareholders lived in comfort while they laboured underground and stayed in informal settlements. Given these realities, they generally did not believe the mines’ claims that lower export prices limited their ability to pay higher wages. As one miner put it,

“If you do break so many rocks, they say you have just made so much money for the company, R200 000. If there is one day’s delay they tell us the company will lose R4 point something million – just for one small section not working for one day. If we work for so many days, you can work out how many millions. And they tell us that one machine, you can’t believe, you can buy one machine for R3 million. But us, we use those machines and we get – you pay peanuts you will get monkeys, you will see the monkeys, and they will bother you.

“We are not stupid. As workers, we are only told that this costs so much. That gives us as workers the knowledge that we are earning so much for the mine. When we compare our basic salary with the amount the mine gets...”

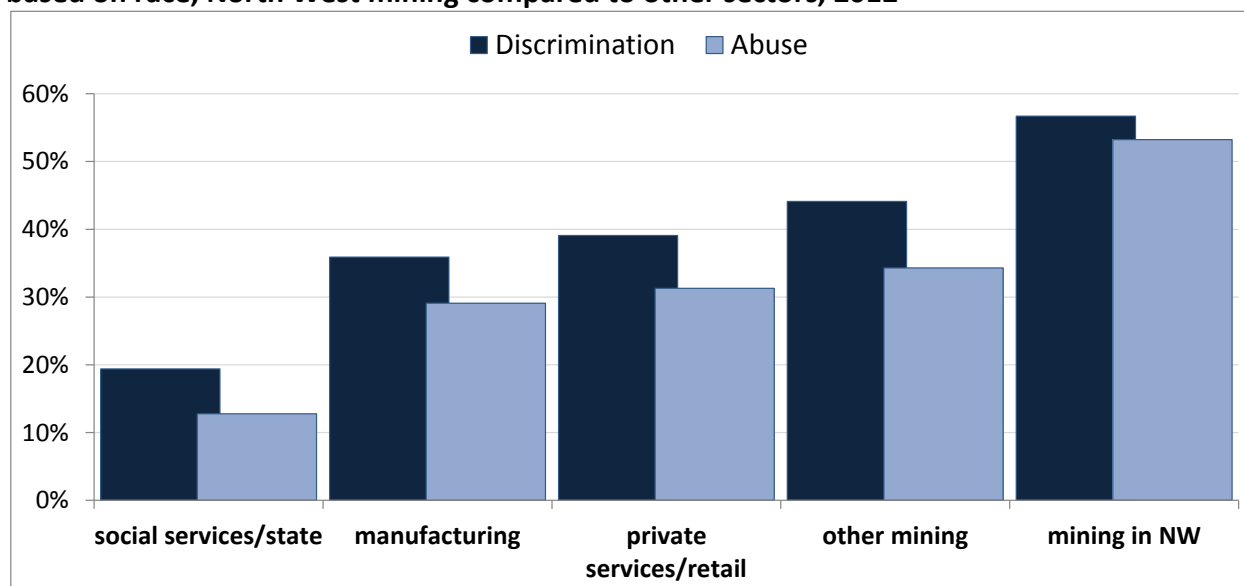
### 4.3 Unaccountable management and discrimination

The available evidence suggested that platinum miners experienced a comparatively high level of racism in the workplace. It was as always difficult to demonstrate that racism drove unfair decisions. In particular, when managers and supervisors did not explain decisions around promotions and bonuses, miners often assumed they were just being discriminatory. The situation was aggravated by the social gap between miners, living in informal settlements and using separate, often poorly maintained, facilities in the workplace, and managers with homes in the formal suburbs.

Both surveys and interviews pointed to the miners’ perception that their employers still discriminated based on race.

A national survey of workers by COSATU in 2012 included 53 miners in the North West out of a total of 2 293 respondents. The relatively small sample for North West miners meant the findings were only indicative. The survey found that almost 60% of organised miners in the North West claimed their employer discriminated in promotions and hiring based on race (Graph 19). That figure compared to around 45% of miners in the rest of the country, and 30% of all union-member respondents. Furthermore, over 50% of organised miners in the North West said their employer abused black workers on the job, compared to 35% in the rest of the country. For union respondents nationally, the figure was under 25%.

**Graph 19. Percent of union members saying their employer discriminates or abuses workers based on race, North West mining compared to other sectors, 2012**



Source: Calculated from COSATU Worker Survey 2012, union members; questions on discrimination and abuse against black workers, union membership and sector, and province. Electronic database.

In group interviews in 2014/5, many of the miners expressed a belief that their employers discriminated in favour of whites. They noted that the majority of managers were white, while virtually all unskilled and semi-skilled workers were black. They admitted that they did not

know why some people were promoted and that individuals' pay was confidential. But they suspected that whites employed as supervisors or skilled workers enjoyed higher wages and had a better chance at advancement. One shopsteward complained: "We say we are in freedom, but we do not have freedom... [It is now] 20 years we are waiting, we are waiting until we are dead."

These feelings were also echoed in Naicker's interviews with miners in the platinum belt. For one miner, working in a platinum mine was

"...profoundly linked to being black and seeing the favouritism, nepotism and racism on a daily basis, in which treatment inside the work space was directly linked to how one experiences their own lives outside of it. For him, 'when you look at white people they are staying in nice places, living in nice houses, and when you look at the [black] people all of them, they are suffering...'" (Naicker 2013, p 32)

Poor communication and lack of accountability by supervisors in the workplace aggravated the perceptions of inequality and discrimination (see also Lonmin 2013, p 33). It was clear in the group interviews that miners did not receive explanations on why they were turned down for promotions or transfers. As one said,

"We do not know why one person will get a higher position, but not another. So, we don't know for sure if one person is promoted because he is white, if someone else is not promoted because he is black. But the whites do get promoted, and we do not get promoted."

Naicker's interviewees also complained that promotions were unfair. One argued that he had received training, but "after each attempt, the company tells him ... there are no positions available". Similarly, a miner complained that he had achieved qualification as a boilermaker but was never promoted, although he saw white artisans with the same level of qualifications who were allowed to progress (Naicker 2013, p 35).

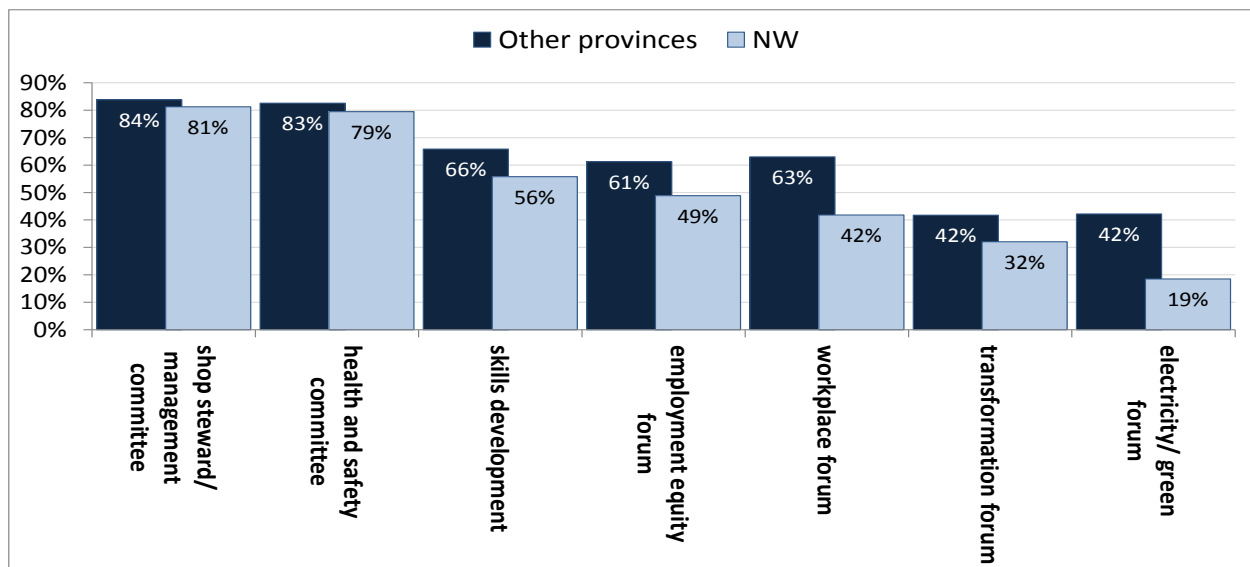
Some miners in the group interviews were not even clear on their work status, especially if they were employed on contract. One worker only found he was employed by a sub-contractor and not Xstrata when he was moved to a garden centre in town at lower pay. Another miner, a shopsteward, said he received a bonus regularly until 2011, and then it was taken away without any explanation.

Repeated concerns about taxes illustrated the problems around communication. According to miners in the group interviews, bonuses were taxed at between 35% and 40% – far higher than their base pay. The higher tax was presumably because the bonuses were taxed entirely at the marginal rate, but the miners felt it was unfair. When they asked their supervisors about the higher tax, the answer was: "It is your government, you must ask your government."

In interviews, human-resource managers at Implats and Anglo Platinum identified supervisory training as a core issue going forward. One noted that there were occasional cases of racial discrimination underground that, however, went unreported because workers were afraid of supervisors. While some companies had hotlines, most focused on corruption and, for labour, intimidation, with virtually no mention of racism as a potential cause for complaint.

Relatively weak workplace structures helped explain some of the communication problems. In the COSATU survey, compared to organised miners in the rest of the country, miners in the North West reported fewer shared forums with employers. Over four out of five miners in all regions said there were shopsteward-management committees and health and safety committees where they worked. But in the North West they were less likely to have other kinds of joint committees than in other provinces (Graph 20).

**Graph 20. Employer-employee committees reported by miner members in the North West and the rest of South Africa, 2012**



Source: Calculated from COSATU Worker Survey 2012, union members; questions on workplace organisations, union membership and sector, and province. Electronic database.

The union could provide an alternative way to communicate, but organised miners in the North West felt unusually alienated from the National Union of Mineworkers (NUM), their union at the time of the survey in 2012. Only 29% of miner members in the North West said they had a lot of influence with their shop stewards, compared to 42% in the rest of the country. Just 50% of miner members in the North West said they would ask shopstewards for help if afraid of dismissal or discipline, compared to 65% in other provinces. They were more likely than other members of NUM to ask the union office or someone outside of the union to help instead.

Moreover, 29% of miner members in the North West claimed they had personally seen corruption in their union, compared to 18% of other organised miners – and 12% of union members in other COSATU affiliates. By far the most common form of corruption cited by miner members was bribes of shopstewards or organisers by management.

In some cases, communication was made more difficult by the lack of a common language. Supervisors often felt comfortable in only one language, while the workforce spoke several. English did not serve all workers well.

In understanding racism in the post-apartheid workplace, the concept of micro-aggressions proves useful. In many instances, abuse of power, especially when linked to traditional kinds of

discrimination – based on race, gender and managerial authority, in particular – seem trivial even to those who suffer from them. That makes it difficult to point to specific issues as determinant. But the effect of many minor slights becomes cumulative, reinforcing a person’s powerlessness and subordination.

Miners often could not point to overtly racist decisions, in contrast to the apartheid past. But they worked in an environment characterised by small-scale racism and ethnic stereotyping, combined with unrepresentative management and a lack of accountability. In these circumstances, arbitrary decision-making on bonuses, promotions and work allocation were consistently interpreted as the consequence of racial discrimination.

#### **4.4 Contract labour**

The prevalence of contract labour further complicated labour relations. In group interviews, participants were unanimous in the view that subcontracted workers were paid less and treated unfairly. They reported, for instance, that contractors would tell workers not to report injuries on the job as it would affect their relations with the mine company. One group interview participant was threatened with termination if he reported a work-related health problem.

In 2011, 65 000 platinum miners, a third of the total, were subcontracted. That compared to around half of coal miners and a seventh in gold.<sup>15</sup> For contracted platinum miners, the cost of employment averaged R9 500 a month, or just under 60% as much as the cost of permanent miners. Again, the cost of employment was substantially higher than the miners’ actual take-home pay.

In 2014, of the 130 000 workers employed by Implats, Anglo Platinum and Lonmin, 26 000 or 20% were contracted (Graph 21). But Anglo Platinum reported that only 5% of its workers were on contract, compared to over 25% for the other two companies. It had cut its employment of contract workers from a high of 39 000 in 2007 to under 3 000 in 2014.

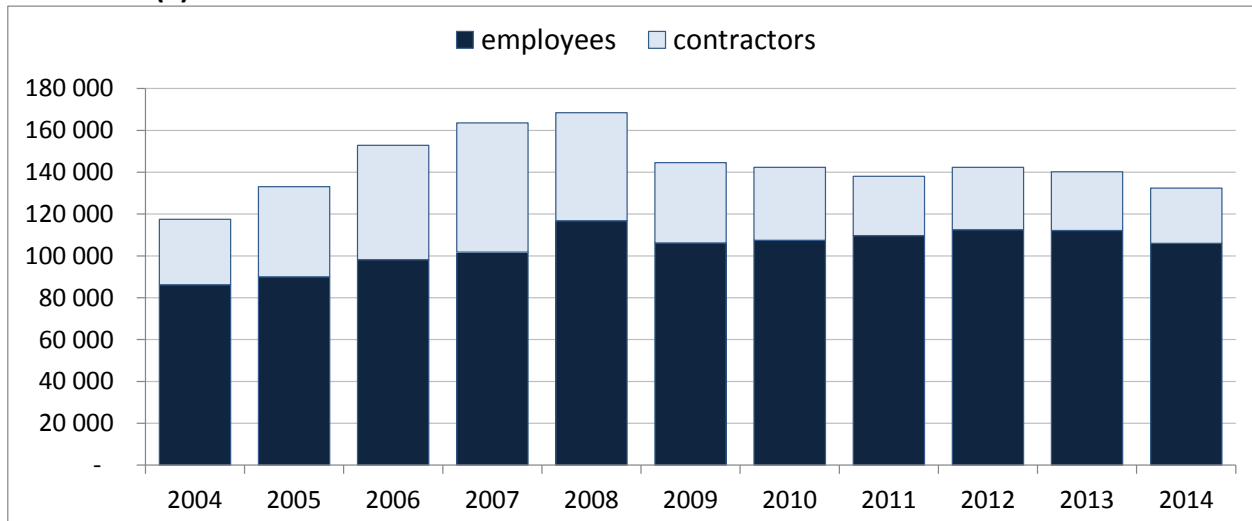
In contrast, the number of contract workers employed by the other two major platinum miners was more stable. For Lonmin, the number climbed from 6 000 to 10 000 between 2004 and 2014. At Implats, contract workers peaked at 17 000 in 2008, and fell back to 14 000 in 2013 and 2014.

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<sup>15</sup> Data kindly supplied by the Department of Mineral Resources in 2013.



**Graph 21. Permanent and contract employment by Anglo Platinum, Lonmin and Implats, 2004-2014 (a)**



*Note: (a) Figures for contract employment at Lonmin in 2004 and 2005 were not available, so they have been extrapolated from the company's figures for 2006-2009. Source: Company Sustainability and Annual Reports for relevant years.*

Collective wage bargaining on the mines generally excluded sub-contracted labour. In the case of major strikes, sub-contracted workers felt compelled to join although they often did not benefit from the outcome. A shopsteward in a group interview spoke bitterly about his inability to represent contract workers, saying that he could not even get information about aspects of his own working conditions from management, much less information about contract workers employed next to him.

## 5 Conclusions and implications

The bitter strikes in the platinum belt reflected a combination of poor living and oppressive working conditions, rather than unusually low pay. These challenges could not be understood simply as a legacy of the apartheid migrant labour system. Rather, they resulted from the rapid expansion of platinum mining and employment in the rural areas of the North West after 1994, although historic systems and strategies shaped stakeholders' responses.

From this standpoint, the problem with settlements in the mining belt was not merely that the employers and the state did not provide adequate housing. After all, in most of the country, workers with similar incomes managed to buy, rent or build adequate dwellings. Rather, the challenge lay in the way that workers were effectively prevented from building their own houses near their work. In particular, land-use systems limited miners' access to land; financial institutions generally did not lend to households earning under R15 000 a month; and construction companies were not geared to building working-class houses outside of large-scale state-run housing schemes.

In this context, programmes to deliver formal housing through the state appeared unlikely to provide an adequate solution. For one thing, they would take far too long. For another, it proved difficult for the state to subsidise housing for relatively well-paid workers while much worse-off people stayed homeless. The limited capacity of the platinum-belt municipalities added to the challenges. Requiring employers to provide housing instead of a decent wage plus a housing allowance would effectively turn the clock back to the relations of dependency and control that were typical of apartheid.

A more appropriate intervention would be to focus on how miners could be empowered collectively as well as individually to improve their communities. Experience of community-based upgrading processes in informal settlements and the Community Work Programme points to the importance of establishing institutions at the neighbourhood level that enable residents to prioritise and collaborate.

Building this type of institution would, however, require significant changes in local power relations. On the one hand, both elected and "traditional" local authorities would have to become more accountable to the miners and other working-class residents. On the other, the state as a whole would have to shift from an entrenched paternalistic approach. Many officials preferred to help individual poor households as passive recipients of services rather than having to negotiate resource use with empowered and cohesive communities.

In terms of labour relations, the experience of the platinum mines suggested the need to transform the apartheid workplace rather than focusing narrowly on wages and bargaining rights. In fact, the experience of the platinum belt suggested that collective bargaining could not work without a transformation of the workplace.

Traditional collective bargaining, as it evolved in Europe in particular, required both employers and workers to make sustaining the company, and consequently jobs, a priority. In the platinum mines, however, this condition did not really hold. International mining companies argued that,

if profits fell, they could always close down their South African operations and invest in other countries. As long as platinum prices were depressed, they might sign unsustainable agreements on pay, then downsize or sell their operations. For their part, miners saw how top management and shareholders lived, and simply did not believe that the end of the commodity boom had squeezed profits.

In short, the profound inequalities and anger built up in the workplace militated against the core aim of collective bargaining – that is, a fair and sustainable outcome from the standpoint of both workers and employers.

That said, both miners and managers had rarely experienced any workplace outside of the mines. It proved difficult for either to identify the specific factors that made the workplace so conflict ridden and oppressive. It was easier for workers to fall back on generalities about discrimination and for employers to blame union leaders.

In this context, a first step would be to agree on what would constitute a decent workplace. Key elements include not only more equitable pay scales, but also recognition for seniority and access to promotions, improved accountability from supervisors and management toward workers, greater equity and security for contracted workers, and equal workplace facilities and social interaction between supervisors and workers. Such an agreement should make it easier to identify the practical interventions to transform the work organisation and supervision systems inherited from apartheid.

Finally, the experience of the platinum belt underscored the need for a better understanding of how the artificial geography of apartheid was being gradually transformed. Even with realistic interventions to improve production and employment, the former “homeland” regions could not conceivably support their 2015 populations. By extension, migration to economic centres was set to continue for the foreseeable future. In this context, it was important both to develop a more specific and realistic assessment of where economic opportunities could be created in historic labour-sending regions, and to analyse how the out-migration would affect human settlements and job needs in the rest of the country.

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# Annexure A. Group interview descriptions and background

## 1. Descriptions of groups so far and next steps

### 1.1 Interviews in Bojanala

#### 1. Completed group interviews:

- a. Rustenburg/ local residents affected by mines (impact on employment, as workers, community, effect on environment); 11 people (4 women, 7 men); selection of participants through BUA Mining Communities and MACUA (Mining Affected Communities United in Action); all participants are local residents from 19 established communities affected by introduction of platinum mines in Bojanala, Group comprises of: 3 permanent employees on mines; 1 contract work (current); 2 ex-contract (now unemployed); several who had tried but failed to get employment on mines (which they explained as discrimination against local residents in favour of people from historic labour-sending areas.)

Intended outcomes from this group: perceptions and information around impact on local communities; whether local recruitment occurs and why this works or fails to work (including ethnicity/ discrimination/ preconception/ or other established recruitment patterns embedded in institutions); impact of in-migrancy on service delivery, community structures, removals and land ownership. Unexpected outcomes also emerged about composition of “local communities”, especially in relation to established role and representivity of “traditional authorities”.

- b. Marikana widows: group comprising 18 women family members of those killed in the Marikana Massacre, who have (from September 2014) been employed by Lonmin following the closure of the Marikana Commission of Enquiry. All were residents in “labour sending areas” with husbands (or other male relatives) who had been migrant workers on the platinum mines, generally perceived as the classic “oscillating migrant labour” pattern. Areas they came from were: mostly Eastern Cape (rural), 4 from Lesotho, 1 Venda, 1 Swaziland.

At time of workshop the women were completing training and about to begin full employment: of group 8 were training to be underground mineworkers (general labour/ lashers/ cart-pushers); 10 were training as (above ground) office/ building cleaning staff.

Intended outcomes: perceptions of factors perpetuating migrant labour, working towards better understanding of how people became and continue within migrant system today (when not enforced by apartheid laws); role of gender in migrant structures (including impact of attempts to change gender relations in the mines as a way of mitigating or changing migrancy); perceptions, policy directions on ways to address embedded gender issues around migrancy to the mines.

Facilitators feel it might add significant depth to conduct a follow-up discussion after the widows have been working in formal jobs for a few weeks (they were due to start full-on

work, as opposed to training, the week after the interview). This follow-up should focus on actual on-the-ground working conditions (supervision, working conditions, practical team-work, gender discrimination on the job if any, etc.) This might be done in late February. (There will be on-going contact with group participants outside of the specific tasks of the research project.)

- c. Xstrata Elands mine workers and ex-workers: 5 men; initial contact through group of contract workers employed at Xstrata Elands mine; due to difficult logistic conditions group eventually comprised of 5 men, of whom 3 currently employed at Elands (one as shopsteward with 16 years on permanent employment, two contract workers); and two ex-contract employees; 4 from Venda, one originally from Taung then brought up and educated in Brits (got short-term contract on mine as local resident through Employment Forum).

Outcomes: intended outcome had been to address segment of workforce that was repeat contract labour (and apparently not taken on as permanent employees); this appears to be common in beginning and exploring/expanding mines; also to explore differences between different companies in employment practice (narratives suggest significant differences between practices at Xstrata and Marikana).

- d. Working miners: group comprising 12 mineworkers currently employed at Marikana/Lonmin (these are mostly underground workers from historic labour sending areas; organized through a KSG contact employed at Marikana. They agreed to meet with some trepidation, and only on condition of anonymity.

Intended outcome was to understand workers' perceptions of the workplace and the factors behind intense workplace conflict. Unexpected outcome was the emphasis on racism as a critical grievance, as well as the continued evidence of very poor communication about pay and conditions as well as HR and operational decisions.

## **2. Proposed Phase 2**

Depending on funding, Phase 2 will involve interviews in historical labour-sending areas: 2 to 3 planned group interviews comprising 12 participants each (to be completed by end March, dependent on funds): to include 1 group from Indwe and 1 from the Worcester area in Eastern Cape; possibly one from Taung (this is a major source for labour to the Bojanala mines).

## **3. Research processes through Khulumani Support Group**

### **3.1 Past work and research methodologies**

Khulumani Support Group has developed unique methodologies to map the stories of people whose stories have been unheard, unreported, ignored or actively silenced. Using collective group interaction, Khulumani workshops combine Frieirian methodologies with creative arts practice, encouraging participants to explore their own experiences and perceptions, then record and share this as active contribution to the community knowledge-base.

Initially organised and structured in 1996 by and for victims and survivors to assist people giving statements to the Truth and Reconciliation Committee, Khulumani today has a 20-year history of recording and documenting personal and collective experiences of social, political, and economic events. Khulumani currently works with a membership base of more than 100 000 people; this includes a defined category of those whose lives have been structured and impacted by migrant labour to mines, both in labour-sending areas and within the mines' workforce. Khulumani's prior organisational and community contacts led to conducting in-depth workshops with family members of the Marikana Massacre (in 2013 and 2014), in the Eastern Cape and in Rustenburg area, to explore conditions, perceptions, and responses of those whose lives are currently impacted upon by the platinum mines.

### **3.2 Key personnel in this project**

Nomarussia Bonase: currently KSG national organiser, Khulumani Art, Heritage and Healing workshop co-facilitator; shopsteward in East Rand (manufacturing and transport industries) in late 1980s, East Rand and Eastern Cape community organiser (1990s – 2014); graduate of and contributor to Training for Transformation (community education training).

Judy Seidman: BA sociology (Madison, Wisconsin, 1970) MFA (Madison, Wisconsin 73[75]); visual artist (1973 to present); member Medu Arts Ensemble (Gaborone, Botswana 1980 – 85); design and facilitation of various culture and heritage workshop processes (South Africa, 1992 – present); lead facilitator Khulumani Art, Healing and Heritage Workshops aimed at recording personal and community narratives in South Africa's struggle for democracy; key focus on integrating creative arts and experiential narrative within Freire methodologies to develop activist research processes.



## Annexure B: Fast-growing settlements in Madibeng and Rustenburg

Information is provided here on the 10 fastest-growing settlements in Madibeng and Rustenburg excluding existing formal cities. Data are from the 2011 Censuses.

### 1. Population size and migration

	Population, 2011	Migration since 2001 into NW	Migration since 2001 out of EC	Migration since birth out of EC
Hebron	35,000	19%	0%	1%
Majakaneng	23,000	15%	1%	2%
Oukasie	28,000	15%	0%	1%
Boitekong	80,000	13%	3%	10%
Phokeng	35,000	8%	0%	1%
Seraleng	9,000	15%	8%	24%
Tlhabane SP	50,000	11%	0%	1%
Wonderkop	22,000	35%	17%	35%
Freedom Park	23,000	32%	12%	29%
Marikana	20,000	31%	12%	28%

### 2. Housing and services

	Wonderkop	Freedom Park	Marikana	Hebron	Majakaneng	Oukasie	Boitekong	Phokeng	Seraleng	Tlhabane SP
One member household	57%	56%	60%	30%	37%	42%	36%	42%	30%	36%
Single room house	69%	54%	65%	18%	17%	25%	25%	20%	2%	23%
Rental	69%	60%	73%	10%	35%	44%	39%	47%	3%	50%
Separate formal house	8%	37%	41%	38%	42%	44%	62%	70%	98%	57%
Backyard informal	13%	32%	18%	8%	5%	28%	18%	18%	0%	19%
Separate informal	63%	21%	23%	51%	36%	14%	12%	6%	1%	11%
Electricity for light	83%	49%	59%	83%	88%	75%	88%	95%	86%	86%
No refusal removal	94%	33%	62%	97%	93%	32%	14%	4%	87%	12%
Flush toilet	9%	67%	51%	6%	3%	67%	84%	19%	100%	83%
VIP	5%	1%	8%	9%	11%	4%	0%	8%	0%	0%
Other pit latrine	71%	24%	27%	72%	83%	17%	6%	65%	0%	10%
Bucket or none	5%	6%	5%	5%	2%	8%	5%	2%	0%	2%
Piped water in dwelling or yard	83%	66%	58%	68%	17%	68%	89%	96%	100%	87%
Borehole	7%	1%	5%	1%	21%	0%	0%	8%	0%	4%
Unimproved or tanker	2%	7%	9%	10%	8%	3%	1%	3%	1%	2%
Water vendor	6%	16%	3%	3%	17%	1%	1%	2%	0%	0%

### 3. Earnings per month and household incomes per year

	Earnings from employment		Household income	
	under R3200 p.m.	under R6400 p.m.	under R19 200 p.a.	under R76 800 p.a.
Wonderkop	34%	80%	28%	82%
Freedom Park	41%	90%	29%	91%
Marikana	37%	78%	27%	80%
Hebron	68%	88%	47%	85%
Majakaneng	69%	90%	38%	86%
Oukasie	77%	91%	52%	92%
Boitekong	52%	79%	37%	79%
Phokeng	52%	76%	41%	80%
Seraleng	56%	87%	45%	87%
Tlhabane SP	43%	61%	33%	64%