

The Effects of Socio-Economic Challenges in the Mining Sector. A Case for the Ba-Phalaborwa Local Municipality in Limpopo Province, South Africa

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Abstract:- The drive for this article was rooted on the effects of socio-economic challenges in the mining sector. A case for the Ba-Phalaborwa Local Municipality in Limpopo Province, South Africa. Considering that the Republic of South Africa is regarded as an emerging country struggling with high poverty rate, unemployment and illiteracy from previously disadvantaged communities. The initiative of instituting the three spheres of regime by the South African constitution uncovered new governance challenged for the local spheres of government. This development further raised high hopes from local citizens of benefits, particularly in the mine management and administration. This article includes general data showing the deterioration of the living standards among citizens. Hence, the method applied to collect data was qualitative research wherein 26 participants were interviewed. Appropriate documentations on mining were analysed intensively. The findings from the engagement with the participants confirmed the importance of natural resources for the global world and thus play a most important starring role in the socio-economic development in the local societies. However, there are unending challenges or problems faced by local municipality and local traditional leaders on work ethics and the impact of the mines waste products towards the health of local citizens. Mining closures and employee retrenchment affect the local authorities which in turn impacted negatively on administration towards the provision of quality service and social improvement. Not all projects agreed upon during the IDP stakeholders' forum that are being implemented and these create problems for the municipality. Prudently, government realignment to empower local government should be prioritised to have an upper hand on the management of local mines as local entity or greater influence on its administration.

Keywords:- Local Authority, Administration, Integrated Development Plan, Social Responsibility, Mining.

I. INTRODUCTION

In evaluating the effects of socio-economic challenges in the mining sector. A case for the Ba-Phalaborwa Local Municipality in Limpopo Province, South Africa, raises the mode in which the local sphere of government plays a part in the mining management and administration, in considering their pre and prior apartheid contributions to communities. The mining impact toward the local citizens where the businesses are situated remains a key contest in

numerous parts of the worldwide. Similarly, the Republic of South Africa being a blessed country with countless mines such as platinum mines, gold mines, copper mine, phosphate and diamond mines is rocked by related difficulties.

Ba-Phalaborwa Municipality is characterised by four local mines that served for years as economic hub of its communities. The mines are Foskor PTY, Palabora Mining Company (PMC), JCI and BOSVELD. These mines were economically viable in the past. They each employed massive numbers of employees locally and neighbouring communities. People could move from as far as Eastern Cape, Lesotho to seek greener pastures and lived in Phalaborwa because of these mines.

Consequently, based on the statement above, the state of environmental degradation from the apartheid era to date had impacted severely on the path of sustainable development and the quality of life for local citizens (Bethlehem and Goldblatt, 1997:1). These mines had a destructive influence on the state of the environment. The state of air pollution is highly noticeable during the early hours of the morning in Phalaborwa town which also emit bad odour. The local main river that runs through Phalaborwa which the community depend on it for drinking water suffers the same fate of pollution from mine acid ditches that overflows into the river when it rains. An individual farmer took on the mighty mines to court accusing them of the unwanted produces emitted by mining damaging his poultry and crops. Although he lost his case, this remained a wake-up call that could have been exploited by the local spheres of government this life threatening occurrence. In addition, it could have been an opportunity to communicate with the other government spheres or the relevant department to tackle this environmental threat or to conduct a research on the matter. However, the environmental risks remain an imperative issue worth tackling recently as the social welfare of the society is negatively affected. The necessary steps have to be taken to ensure compliance to legislative frameworks by the industries that are boosting the country's economy to be extra accountable towards protecting the well-being of the local citizens.

Therefore, the content of this article explores the effect of local mines in the livelihood of local citizens of Ba-Phalaborwa Local Authority, that is located 250km of Polokwane metropolis in Limpopo province.

II. PROBLEM STATEMENT

Supervision of the mining management and administration by Local Municipalities within the Republic of South Africa remained a pipedream. In both pre- and post- democracy, the mining industries had its own way in administering and managing its own activities, with no one supervising their compliance to legislative frameworks and negative impact upon the natural resources, indigenous people, and the surroundings. Based on the above indicated challenges, their contributions on the current socio-economic status on the citizens of Ba-Phalaborwa, relatively to other South African societies is enormous, particularly in Black areas or previously disadvantaged areas. Such areas are in the custodians of the African leaders (Traditional leaders). Regrettably, majority of these leaders and their communities never benefited openly as matched with white race from these mines. It is visibly evidenced by infrastructure improvement towns and in villages and townships such as schools, stadia, roads and other sports facilities. The mines' social developments were focused in one area as the sole economic drivers of Phalaborwa. On the other hand, they are not innocent on environmental waste production that threatens the entire communities directly of Ba-Phalaborwa without precincts. Imperatively, an urgent intervention is required to circumvent community catastrophes.

➤ Literature Review

It has been for decades in South Africa for different companies engaged in the operation of different mines with different government administrations. These companies adopted their own approach of administration and management, suitable for their own cultures. Moreover, these mines, particularly, inherited and adopted such special cultures from great mining companies like Anglo American, De Beers, Kumba Iron Ore Ltd, Rio Tinto amongst others. They operated their business focussing on financial gains, compromising the environmental health of citizens which had been a serious challenge (Jayanti and Gowda, 2014). In general, their system of mining predominately influenced by imported philosophies that operated for years by colonisers. Majority of such policies and frameworks for mining were not developmentally oriented but purely business orientated. wherein the interest of the shareholder assumes primacy (Jayanti and Gowda, 2014).

Based on Carvalho (2017), the comparative importance of mining and contribution that operated some time ago and at this time were primarily engrossed in production, instead of their bearing on the public, the surroundings and workers. Emphatically, the asbestos mines in South African and elsewhere in the world had a devastating health hazards on employees, or caused cancer to employees. Moraka and van Rensburg (2015) outlines some imperious legislative frameworks meant to forge compliance in protecting the rights of the citizens, such as the Minerals Act of 1991, African Mining Charter, Mineral and Petroleum Resource Act of 2002, White Paper on Minerals and Mining Policy for South Africa of 1998,

Diamond Act of 1999, the Mine Health and Safety Act of 1996, National Water Act of 1998 and the National Environmental Management Act of 1998 etcetera, together with Constitution of the Republic of South Africa, of 1996. These frameworks and other prescripts were preordained to safeguard the rights of the citizens and the environment. However, community protests and complains against mining industries carries on in South Africa and other countries.

The Intergovernmental Relations Framework Act (IGRFA) (No. 13 of 2005) dictate the local administration to play a part in intergovernmental associations with other government spheres and other interested parties on issues of good governance and coordination (Kanyane, 2016). This principle remains an issue that requires urgent attention to be operational and require strengthening for proper administration and management. Mining industries require healthy efficient coordination as pillars of the South African economy. For that reason, consultation should be effected to harmonize implementation coordination to alleviate disastrous and irreparable conditions of mining services.

➤ *Stratagems and ethics reinforcing the municipal management and administration of the surroundings*

Based on the Bill of Rights, confined in the Republic of South Africa Constitution of 1996, section 24 states the rights of every person: the surroundings that is not destructive to their well-being or health and possess the location that is protected, benefiting of contemporary and yet to come generations, through realistic governmental and other related procedures averting environmental dilapidation and pollution; encourage preservation; protection of environmental maintainable improvement and usage of natural resources while encouraging tolerable social and economic advancements (RSA, 1996).

Therefore, the environmental justice, ecological administration and maintainable improvement acumens are interconnected but diverse. Incorporated eco-friendly administration take account of numerous that empowers industries in administering its command on environmental aspects and account on it to powers that be and the public. Inclusive to these are environmental plans, environmental management and environmental impact assessments systems. At this moment in time, the mechanisms take account of costs benefits analysis and social impact assessments, needful of public participation to engage interested and affected parties that is not always fully developed. This system in the Republic of South Africa remains the basis for statutory right to participate for healthy and spotless surroundings, to access information, and to numerous provisions of additional statute such as the National Environmental Management Act (NEMA). (African Labour Research Network, 2005: 12).

In addition, an ecological debt is one more a connected perception. This concept contends the colonial governments and their companies throughout colonial (and post-colonial) times, accumulated massive debit through

their social and environmental abuse. The workable expansion brought forward a concession podium, to accommodate countless understandings, between advocates of socio-ecological justice and development. This is primarily concomitant with parliamentary inventiveness, for instance Agenda 21 (Agenda for the 21st century, settled upon in 1992 at Rio de Janeiro, Brazil by different regimes. It is characterised by 40 episodes that guides the whole global eco-friendly administration (African Labour Research Network, 2005: 12).

Barrow (2006: 140) declares that a good environmental management displays sensitively and effectively engagements local citizens. Managers assigned for environmental management are expected to acquire local statistics, comprehend emotional state, to gain knowledge, in order to adjust practices and to motivate citizens. Importantly, it is only local knowledge that is crucial and required in resolving environmental rows. While Fox, Schwella and Wissink, (1997: 225) argues that ecological scrutiny on tactical administration encompasses analysis of dynamics in the exterior surroundings purposed to pinpointing the effect of these dynamics on calculated matters.

➤ *State comprehension underpinning mine management and administration in South Africa and somewhere else*

In the main, governments make available the parameters for routine behaviour for citizens, protect its peoples from outside interloping, and time and again provide for their well-being, happiness and professional management of economic aspects.

Generally, it remains the responsibility of the state to position first things first of its intent, and assemble frameworks imperative with potential of accomplishing a blend of these objectives for short, medium and long terms (Cloete, Wissink & de Conning, 2007: 91). However, the crossing point that displays prospects over and above dangers towards institutions are noticeable. Taking into account, the cost of energy, shortage of resources, impairment to the natural resources of the country and the cost of pollution. It remains the liability of government to ensure that mines do engage on well-timed stages reduce or eradicate damaging environmental effects by the industry or organisation. Importantly, it should avert unfavourable attitudes towards the organisation with the intent of maintaining, managing and conserving the deterioration of the country's natural resources (Smit, Cronje, Brevis, and Verba (2007: 72)

Since the late 19th century, the Chamber of the South African mines stayed an imperative role player in the South African politics. Consequently, the entire Africa undermined the unsettling accounts of mining industries being centre of political activities. Likewise, the antique pedigrees of the South African injustice system of apartheid in deliberately relocating Africans to the cheapest land available and prioritise mining. In Johannesburg, communities were relocated beside mine dumps (African Labour Research Network, 2005: 9).

Importantly, the involvement of the state in the mineral industry was supposed to be supportive and complementary in nature to citizens as they conduct business. The state should seek to maintain and provide the following: mining; beneficiation and marketing of the minerals of the country; fiscal and legal background that will allow rational exploration, harbour facilities, communications and health services, and power and water suppliers along with a proficient corporeal set-up comprising of airlinks road, and rail. The Mineral Act of 1991 regulates the prospecting for and optimal exploitation, processing and utilisation of minerals, while the Mine Health and Safety Act of 1996 grant access to health and safety in the mining business and manage environmental recuperation damaged by excavating and exploration (<http://www.dme.gov.za/minerals> 2009/01/07).

In a country such as Australia, The Aboriginal Land Rights Act, 1983 was promulgated and enforced the establishment of Aboriginal Land Councils and lodging claims for certain Crown land to fulfil the procedure of returning land to Aboriginal peoples. Hence all minerals are conferred to the Crown. According to Altman and Levitus (1999) full royalty rights for Aboriginal citizens from mining activities on land trust should be billed to Aboriginal welfares which is allocated between the local authority and the national government. The Act further outlines a discussed reparation imbursement that are explicitly differentiated payable royalties to other groupings such as Anangu Pitjantjatjaraku or Maralinga Tjarutja and Pitjantjatjara peoples for environmental disruption (Altman, 1991:9). A move was initiated by the Australian government of empowering the local communities from the natural resources (Altman, 1991: 14).

Contrariwise, the South African state of affairs remained unique because of its apartheid history. Hence, Mutheiwana (2009: 50) argues that the mining of countless mineral resources in the Republic of South Africa largely occurred in impoverished rural areas. Surprisingly, different mining giants or industries have been engaged in mining diverse mineral resources for years. In some areas, local communities were removed or forced out from their ancestral land and pushed to uninspected land with minimal or no compensation. The involuntary moving of local citizens against their will during the apartheid era was disruptive and disastrous. Community exploitation is still taking in a softer model in the new democracy, hence the mushrooming of community unrest against mining.

➤ *Legitimacy of mining and local government*

Legitimately, there has been a global administrative challenge in underpinning cooperative governance amongst mining and local authorities, while in South Africa remains a nightmare. For instance; The Mayor of Siocon, Zamboanga del Norte, Caesar Soriano on representing Municipal Government had to file provisional restrictive orders against Toronto Ventures Incorporation (TVI), which is a Canadian-owned Mining Corporation operating in Mount Canatuan. The mining corporation was accused of

violating government “social acceptability clauses” from the municipal when conducting a full-blast open-pit mining procedures. The mayor was eloquent in accusing TVI of conducting investigation works in Mount Canatuan without legal consent of the local regime. Soriano further emphasised the unavailability of municipal resolution approving the operation right of Mineral Production Sharing Agreement for TVI serving as basis for mining exploration (file://E:\Mines and Communities Siocon Local Government...2009/07/25). However, the mayor contended on how TVI acquired a resolution from a neighbouring municipality which will not be directly affected by the operation. The mayor declared the attitude of mining company as “the saddest part” for principles of administration and management. The landowners and governing municipality were not even informed of what they were doing, yet they remain the community to be affected by the environmental damage that would result from the mining (file://E:\Mines and Communities Siocon Local Government...2009/07/25). In support Sash (2015) state that the white colonists and the previous apartheid regime in South Africa triggered analogous strains within the mining business, initiated race-based policies that give rise to deprivation of mineral rights, transferring land rights to whites and simultaneously registering ownership over mineral rights of the country through legislation designed to create colonial wealth. Based on Neeffjes (2000:99), the powers of the people and their social participation in political procedures and improvement of mining undertakings remained a top down creativeness.

In Nigeria, The people of Ogoni (also known as the Ogonis) are people in the region of South-eastern Senatorial district in Rivers State Nigeria, referred to as Ogoniland or Ogoni. They commonly shared environmental oil-related problems with the Ijaw people of Niger Delta (Hattingh, 1997: 4). The Ogonis and Shell Global were engaged on a life time environmental battle which has seen a human right activist, a play writer, a poet and essayist, also referred to as an eco-warrior and environmental hero, Ken Saro-Wiwa who was executed in 1995 in Port Harcourt, together with eight other members of Movement for the Survival of the Ogoni People (MOSOP). However, the Nigerian government conducted an ersatz trial based on bogus charges which declared MOSOP leadership guilty of instigating civil unrest and murder. Hence, the objective of the organisation to put pressure on the Shell company to accept responsibility for environmental damage resulting from oil spills on their land, and in sharing the oil wealth of Nigeria with the Ogoni people Hattingh, (1997: 4-5). The organisation had to confront two critical societal battles, one with the Shell Petroleum Development Company of Nigeria on whom they felt were answerable for environmental manipulation and damage in the Ogoni region, and Nigeria’s Federal Government for demanding greater share of the oil revenue from the company, excluding the community. Consequently, the social conditions of the majority of people in Niger delta remained poor and low paralyzed by the relationship that existed between the state and the company. Apparently, nothing was done to transform the

situation by those who had powers to do so, and ultimately failed to prevent the build-up the explosion of such a volatile situation (Hattingh, 1997: 5).

Crosswise, the municipal councils of the South African government are mandated to make by-laws (legislative authority) and the powers to put those laws into effect (executive powers) recorded in schedule 4 and 5 of the Constitution. It embraces matters related to environmental management, health services, water pollution, air pollution, and storm water administration schemes, etcetera. Upon all delegated matters from other spheres of government (National and Province) municipalities promulgates statutes on any matters for proficient administration and management of the municipality (Rautenbach, 1996: 270).

In KwaZulu-Natal Province, there is an Indian residential township called Merebank, with plus 50000 citizens is pronounced as an isle enclosed by a sea of polluting industries. The hazard is related to petrochemical industrial production. The community are enclosed by a massive paper mill, the two massive oil processing plant on either side, a multitude of chemical processing industries, chromium processing plant, and an airport. The community members are strained by multiple environmental glitches such as aircrafts din and industry; an burdened atmosphere with sulphur dioxide and inflammable discharges; land contamination, river, and ocean; heavyweight engineering traffic flow; and by and large neglected environment (mhtml:file//F\Environment and Reconstruction.....2009/07/28). Every strategic approach employed by the Merebank citizens of acquiring information from the companies and local government on what was exactly emitted into the air (smoke like) fell into deaf ears. advocating change to both the companies and the local council did not bear fruits. Unfortunately, the local authority informed the community that the information remains confidential. This conduct, violate the content of the “Promotion of access to information Act, 2000. This act provides the statutory right of access to any facts held by the state and any information held by private bodies that is required for the exercise and protection of any rights (RSA, 2000).

Thus, the labour force in the factories and members of the community are blurred on the dangers of exposure to sulphur dioxide pollution and harmful surroundings in the area. This predicament has been standing for decades with citizen’s life being compromised. They are grappling faced with ‘clear and present’ health hazards linked to petrochemical industrial production. Recently, a survey conducted revealed a high incidence of chest-related ailments aligned to the high levels of sulphur dioxide and other chemical contaminants in the atmosphere (mhtml:file//F\Environment and Reconstruction.....2009/07/28). These activities were inherited and rolled over to the democratic government. For that reason, race and economic status remained some important variables that profiles residents’ insights of eco-friendly dangers (Mix and Shriver 2007).

➤ *Social and economic challenges*

Notably, societal associations come into power play upon citizens when executive groups are engaged in well-being issues especially in reverence of difficulties. Governmental problems that are welfare related includes amongst others joblessness, youthful wrong doing, scarcity of houses, shantytown eradication, drugs and alcohol misuse, environmental hazards and other societal perceptions (Hattingh, 1998: 30). It has an effect on economic relations on the communal constancy and the country at large. Therefore, fiscal and monetary dealings that serves as basis within which the public and organised trade and business should function must be instituted by government. Through these measures, attempts should be made to establish strong relationships with private sectors which are in the interest of the country's economy and its people (Hattingh, 1998: 33).

Based on Barrow (2006:15), rudiments pertaining to socio-economic matters had a potential to damage societal capital that ultimately contributes to some environmental human welfare difficulties. The economic challenges in South Africa was literally aggravated by coordinated international campaign on boycotts, disinvestments and sanctions directed on the apartheid government before the democratic government in 1994. The campaign was intended to apply pressure to accelerate political reform on the white minority government, consequently, the quality of life of the lower class societies was negatively affected due to lack of sufficient economic growth and inability to have capital to uplift their lives (Cloete, 2007: 91).

On the other hand, the majority of disadvantaged communities living in such local municipalities and towns, dependent on mines as their mono-industry and economic base are hardest hit by mine closure (Laurence, 2002: 28). While Strongman (2000: 13) argues that mine closures are traumatic to local communities in that they render local government financially dysfunctional with low income, weak, and reduce labour mobility. Regrettably, most mined rural municipalities (towns) are curved into ghost towns. Noticeably, the footprints by mining closure are further exacerbated by several social characteristics that are unique and devastating (Neil & Tykkylainen, 1992: 21) in (file//E:\Towards a post-mining economy in a small town: challenges, obstacles and lessons from South Africa..... 2009/08/07).

Consequently, such towns suffer loss of fixed income and out-migration wherein the consumer base took a nose dive with the purchasing power decreased. This having a tremendous negative impact on hawkers, taxis, spaza-shops, small and microenterprises due to loss of fixed income and out-migration (Seidman, 1993: 17). The informal sector also suffers, with more senior and skilled mine staff members leaving the area, which implies the loss of jobs for domestic workers. Moreover, unemployment rate rocketed very high due to retrenchment of mine workers (Laurence, 2002: 28; Seidman, 1993: 26).

On account of high level of reliance in mining, possible lack of skills transfers for both entrepreneurial knowledge and custom in mining town exist. Therefore, the support provided by these mines, aligned with the relative prosperity of the town, mine closure disrupt governance of the local government. Furthermore, active community members with capacity to mobilise and contribute in community activities and support of local development are amongst those who are likely to leave the town once a mine closes (Neil & Tykkylainen, 1992: 21) in (file//E:\Towards a post-mining economy in a small town: challenges, obstacles and lessons from South Africa..... 2009/08/07). Therefore, one of the most thoughtful issue and enduring magnitudes of mine closure remains unemployment which affects other service providers servicing the mines (Haney & Shkaratan, 2003: ii). In addition, a large proportion of skilled mineworkers, specifically remains redundant for other operations or re-deployment rendering recruitment difficult in other sectors (Harichunder, 2000: 6).

Therefore, the premeditated intent of the Freedom Charter in South Africa of transferring and sharing in the wealth of the country remains limited to be fulfilled. Thornily, community benefits through social responsibilities and environmental management remains challenge without a complete social revolution of society. The country's economy remains under the control of the state. The productive force, especially of the monopolies, shall be centrally controlled by the state to reduce and fight hunger and exploitation. The state shall reduce external expropriation of the national mineral resources by foreign dominations and build in-house capability to produce according to the need of the people of South Africa (Mutheiwana, 2009: 42).

III. RESEARCH APPROACH AND ANALYSIS

The study employed a qualitative approach. The sampling techniques involved a purposive method in identifying the local mines and the local municipality as well as the participants of the study for gathering field data. The data was collected by employing an individual interview, and analysis of available documents (Babbie, 2004). The study employed more open-ended questions (semi-structured), which triggered a discussion with the interviewees rather than a straightforward question and answer format. Data was collected from Senior Officials of Phalaborwa Mining Company, Foskor Mine, Ba-Phalaborwa Local Municipality, Sasol Nitro, Social Department, Department of Health and Local Community Leaders. Exhibited within the data collected, was a key pattern uncovering the deficiency of monitoring and evaluation and implementation of such a policy in managing the environmental pollution by both the municipality and the local mines.

After evaluating the literature captured in the study, generally, the economy of the Republic of South Africa has been predominantly at the mercy of the production and exportation of mineral and energy. Generally, global trend displayed the supremacy of the mining sector as baseline for socio-economic growth and beneficiation of local citizens in every single state with mining industries.

IV. FINDINGS AND ANALYSIS

The partakers for the interviews encompassed Senior Officials of Phalaborwa Mining Company, Foskor Mine, Ba-Phalaborwa Local Municipality, Sasol Nitro, Social Department, Department of Health and Local Community Leaders. Hence, the purposive techniques were employed in identifying the participants above, efficiently and wisely chosen to suits the level of analysis compulsory to riposte question to attain the objectives of the study (Bernard 2002). The total number of thirty participants recognized and scheduled for interviews were accessed, and their views were recorded and documented.

➤ *Awareness around mining operations.*

All participants demonstrated their profounder understanding and knowledge of mining operations within Ba-Phalaborwa Local Municipality. Grounded on the collected data from all the participants interviewed, the supremacy of mining operations within Ba-Phalaborwa Local Municipality is famous. This is consistent with the argument unfolded by Milaras, Ahmed and McKay (2015:2) and (Stats SA (2012) that South Africa is a mineral rich state – characterized by a long established and economically important mining sector.

➤ *Potential grounds for mining retrenchment.*

All the participants offered different views that were causing retrenchment in the mines. NUM initially attributed the global retrenchment to international political opinions which affected the South African politics for years. Secondly, the migration from operating as an open cast to underground mining. This is consistent with the argument by Bakhtavar, Shahriar and Mirhassani (2012:1060) in that the contemporary transitional encounter of converting open-pit mining into underground mining contributes to job losses.

Based on the municipal participants, mining retrenchments were triggered by down scaling of employees by Phalaborwa Mining Company. Such an exercise had a negative impact on other local mines which fashioned uncertainty and extremely contributed to labour protests. However, a model of white-collar corruption was identified to benefit the few from mining institutions.

➤ *Retroactive retrenchments*

Grounded on mining participant, local mines were pre-emptive after detecting that majority the of mine employees were to lose their jobs. Initiatives such as skills development programmes; drafting of business plans; financial management courses; formation of small companies or contracts with the mines; and Introduction of

intervention systems (projects) were implemented. While participants from the local municipality affirmed their meeting with local mines management during 2008 to circumvent the laying off of employees. Regrettably, mine managements evaded agreement and implementation and continued with retrenchment. However, Muthewana (2009:66) argues that the socio-economic in the Republic of South Africa remain framed outside the Freedom Charter. Moreover, the mining structure was instituted to create primarily profit for owners of the mine than employee protection and environmental security. Essentially, the Freedom Charter emphasises employment for all and sharing in the wealth of the country.

➤ *Talents advancements for the retrenched.*

Respondents from the local community declared that retrenched employees from the local mines were never capacitated for further absorption by other industries. Their knowledge was centred around mining. Therefore, they are only skilled to be functional in mining related opportunities. Additionally, mine managements also were limited in protecting their retrenched employees from financial cruelties that crippled them into poverty brackets. Alcohol and drug abuse became a trend which ultimately had thrown them into extremely difficulties at a later period.

Based on municipal respondents, major efforts by the Local Economic Development unit in the municipality to reduce unemployment were unsuccessful. Agencies such as LIBSA, Phalaborwa Foundation and the Department of Agriculture were engaged to support the unemployed in small farming. The total number of 100 persons were trained during 2009. However, the state of the environment pollution remained another hurdle to cross.

One of the responded also claimed of training some the retrenched by Phalaborwa Foundation that of pursuant in Phalaborwa Mining Company (PMC) programme. The training enhanced skills in relation to mining qualification authority (MQA). Further training included among others brick laying, sowing, carpentry, tiling, roofing, catering, cooking and other entrepreneurship. Summarily, the plight of the former employees remained compromised as lifestyle audit skill remains low (2008 Phalaborwa Sustainable Development Report).

➤ *Redundancy aid reserves.*

The responses from the municipal participants declared that there were no joblessness aid reserves except the UIF which is provided by the Department of Labour. However, the Department of Social Development had a relief programme of providing food parcels to the poor. In addition, the Department of Cooperative Governance, Human Settlement and Traditional Affairs in conjunction the municipality runs a programme of providing RDP houses for the needy. Ward councillors compile list of such persons and submit for assessments. On the other hand, the respondent from the Department of Health concurred on the previous statement by indicating their additional role in assisting those who are sick for support grants. This include

those who are infected with HIV/AIDS which is prevalent in the Phalaborwa area of Mopani District Municipality (Ba-Phalaborwa 2009/10 IDP: 9). Taking into account the above state of HIV/AIDS in the area, Phalaborwa Mining Company built the Community Health Centre Facility specifically for HIV/AIDS infected persons with health practitioners.

In consideration of one of the community respondent, they claim that the local mines do not have the heart of the local communities, hence the high unemployment rate. What's more, corruption was quoted in the allocation of RDP houses by the municipality and the Department of Local Government and Housing. Based on Mutheiwana's exegesis, societal needs require shakeup to eliminate over-exploitation by individuals seeking kickbacks from citizens to receive services (Mutheiwana, 2009: 65). In essence, allocation of RDP houses was highly polluted maladministration community beneficiaries were neglected in favour of programme managers, ward councillors and their close associates. Therefore, the objectives of the programmes was compromised.

➤ *Frequency of Job losses.*

Common understanding and acknowledgement by all participants of high unemployment rate was prominent in their responses. In line with the research study conducted by Glen Steyn and Associates for Ba-Phalaborwa Local Economic Development Strategy, the rate unemployment stood at 40% during 2007 (Glen Steyn & Associates, 2007: 4).

Evidently, the unemployment in Ba-Phalaborwa community has stretched to a deplorable condition. One administrative decision by one main mine created a major tension which produced a poor socio-economic collapse for Ba-Phalaborwa communities. Citizens remain economically inactive with the rate of drug abuse and crime increasing at a disturbing momentum. Based on statistics conducted by Glen Steyn and associates, adults without schooling increased to 30% in semi urban areas, 50% and 60% in the farms and rural areas. Therefore, any further retrenchment will worsen and burden governance of the local authority (Glen Steyn & Associates, 2007: 4). Hence, Mutheiwana, (2009: 58) declares that the social order that champions its monetary procedures will regulate the politically awareness, communal and traditional life of its people.

➤ *Functionality of reputable community projects and sustainability*

In considering the responses by municipal participants, there have been standing community projects for different communities around Ba-Phalaborwa communities. Such projects were initiated were part of the Integrated Development Plan (IDP) of the municipality and supported by different spheres of governments. The projects initiated includes among others; Freedom and memorial precinct; Seloane Thusong service centre. Bollanoto tourism centre; and Flee market (market village). The main hint had been to generate job opportunities for citizens.

In addition, the participant explained on the memorandum of understanding that was signed between Ba-Phalaborwa Local Municipality and the Development Bank of South Africa (DBSA) for job creation community projects. The community intervention project was worth R200 million. (Glen Steyn & Associates, 2007:25). Other initiatives were funded by the National Treasury such as the Taxi ranks at Namakgale and Lulekani with all facilities that cater for the commuters and taxi operators; Electronic Bill Boards with information to guide tourists; Cultural Village at Mashishimale Village; Drive in Park at Gravelotte that displays the face of tourism in Ba-Phalaborwa that includes Kruger National Park and Hawkers facilities in Namakgale next to Maphuta L Malatji Hospital. The main reason for all these initiatives had been to stimulate job creation

However, all participants remained sceptical and unhappy on the sustainability of these community projects. The major concerns had been around poor financial management on project leadership or management. Consequently, lack of accountability and commitment by project coordinators crippled sustainability of the projects. According to one of the community participants, some of the projects were shut due to internal skirmishes by committee members. For that reason, unemployment and poverty continued to rumble the community despite all attempts of investing in such projects.

➤ *Environmental challenges.*

The environmental damage has been a serious challenge for all participants. Importantly, the participants emphasised on; Deforestation due to expansion of the mines; Sulphur dioxide (SO₂) emissions; Air pollution by dust from the mines and dangerous gases; Surface and underground water contamination from the industrial wastes from the mines; Exhaustion of mineral resources; Noise; Un-rehabilitated landfill sites; Black dust particles and Land claims of more farms. In concurring to above statements, the mining environmentalists confirmed the aforesaid environmental pressures.

As argued by the all the participants, the municipal participants did not fall short of accusing mines for the environmental degradation and pollution. For years, air pollution and water pollution through chemicals leach through the dam into the rivers and ground water resulted into contamination of the running water and underlying aquifer (Glan Steyn & Associates, 2007: 8).

In consideration of high evaporation in Phalaborwa, chemicals can crystallize on the tailings dams and turn out to be airborne for the duration of windy days. In the end, this postures a significant health hazards and environmental dangers to communities. Furthermore, all dust deposition on the water bodies by and large decreases the water quality. The state of the water absorbed vegetation that are grazed by livestock have a long lasting impact on humans (Glan Steyn & Associates, 2007: 8). Conclusively, all living organisms in the area are in danger of being affected by the environmental hazards from the mines.

➤ *Strategic plans to upgrade the social and economic challenges.*

Based on responses from mine participant local mines developed a strategic plan meant to advance the social and economic conditions in Phalaborwa and local villages. Opportunely, Phalaborwa Mining Company (PMC) acquired an opportunity to operate an underground mine which raised high hopes for massive job prospects. Additionally, this opportunity increased the life spans of other local mines, Foskor and Sasol Nitro.

Phalaborwa Foundation, created by PMC to upgrade the Phalaborwa communities impacted the communities by building 3 libraries, a trade workshop and an HIV/AIDS health Centre. The foundation further provided bursaries for Maths and Science students. reach out to the communities. They further stated the way the Foundation continued to sustain and develop the social and economic status in the community of Phalaborwa. The Phalaborwa Foundation Centre was engaged in training local citizens on Brick laying; Carpentry; Catering; Sewing; and Tiling.

The Foskor mine confirmed on a multi-million expansion projects for the South Pyroxenite that could function for more than 50 years to come. The responses from the mine participant declared this project as liberation for Phalaborwa citizens from unemployment persecution.

However, the response from the municipal participant professed the strategic intent of the municipality been to propagate the economy and create employment through tourism. For this reason, the development planning framework of the IDP which was derived from the Provincial Growth and Development Strategy (PGDS) and the National Spatial Development Perspective (NSDP) was implemented. As a result, a brief profile of priority areas were emphasised and identified as Economic dependence on mines – strategically positioned for tourism sector development; Poor execution of plans – training (effective implementation planning and continuity); Skills shortage – leadership and training; Unsustained marketing – strategic positioning (strategic direction and continuity); HIV/AIDS high prevalence – employment and middle class awareness and health facilities; Unemployment – tourism and its value chain, mining beneficiation, venison red and white meat) cluster, and skills training; and Land redistribution process – partnership (community, parastatals, private sector and sector departments) (RSA,2012)

Relatively, the development plans were strategically to enhance social advancement and to improve lifestyle of South African citizens. Therefore, configuration was necessary by local authorities on the IDPs in order to achieve the objectives of the NDP.

➤ *Public private and public-public partnerships.*

All the respondents confirmed the existence of partnership amongst the mines, municipality and the community. Participant from the municipality indicated the resolution indorsed by the council for the local Technical College to offer courses and training that are associated with mining. Consequently, a council resolution emphasising the progress made with the project to convert Sir Val Duncan College as a specialised training college for artisans was approved during 2009 (Resolution 124/09). However, the initiatives were never coordinated or followed-up and not implemented to date.

All participants concurred in principle of multiple partnerships existing in Phalaborwa by different stakeholders. However, most initiatives started but could not be sustained for the benefit of the citizens due to lack of leadership. Partnerships that were initiated include among others: Marula oil project extraction factory; Marula juice factory; Township rejuvenating and rural development – tasked to put in Apollo lights and street lights; Thusong centres; Indoor sport centre; Hydroponic at Seloane; agriculture project at Mashishimale; poultry farming; Libraries in different communities; Foskor mine through the social labour plans to upgrade the roads and implement a project of paving streets; HIV/AIDS project that is a joint venture between Foskor, PMC, and Sasol Nitro, in partnership with the primary health care department; Bollanoto tourism centre; Chicken breeding projects; Brick laying, Gates, Fence, Cast crate making projects; Bakery project; Adult Based Education and Training Centres; and Recycling projects. Most of the above projects disappeared

Additionally, all participants confirmed the project reducing the level of illiteracy through adult education by the Phalaborwa Foundation within their Library Centres. Contrarily, Palamine Club was an entertainment sports and recreation facility that included among others the stadium, tennis courts, entertainment hall and swimming pools. However, it was called sold to a private company. The community members alleged that these was done by selfish individuals for their personal benefit. Furthermore, it was viewed as counter developmental.

➤ *Other critical issues.*

According to Mutheiwana (2009:19), It remained true that due to human failures, constitutions and protocols, even though very well inscribed and intricate, they are infrequently tailed and secure. There has been an erosion of the democratic principles espoused by many people and the Freedom Charter. The narratives that the national wealth of our country, the heritage of all South Africans, shall be re stored to the people; The mineral wealth beneath the soil, the Banks and monopoly industry shall be transferred to the ownership of the people as a whole; All other industry and trade shall be controlled to assist the well-being of the people remains a dream. The rich continue to get richer while the poor continues to be poorer. Therefore, community beneficiation will remain a dream that will never be realised as long as corruption brushed gently by leaders of different stakeholders.

V. CONCLUSION

Decisively, the local government was presented and dedicated to working with citizens and groups within the community to find maintainable techniques to meet their economic, material and social necessities in order to expand the eminence of their lives as introduced and defined by the White Paper on Local Government (1998).

Thus, from the findings provided, the management and administration of local mines by local municipalities remains limited if not existing. Similarly, the other spheres of government in South Africa are not hands on in monitoring and evaluation of mining either. Hence there are numerous dissatisfaction by different communities pertaining to mining. As a result, a society wherein unemployment is rampant lacks functionality at its optimum level. This may leave the local government surviving through grants and other allocations from the national and provincial government.

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