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GOVERNMENT NOTICE

DEPARTMENT OF MINERALS AND ENERGY

No. 445

29 April 2009

PUBLICATION OF THE HOUSING AND LIVING CONDITIONS STANDARD FOR THE MINERALS INDUSTRY

The Minister of Minerals and Energy has in terms of section 100(1) (a) of the Mineral and Petroleum Resources Development Act, 2002, (Act 28 of 2002), developed the Housing and Living condition standards for the minerals industry as set out below.



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Department:
Minerals and Energy
REPUBLIC OF SOUTH AFRICA

**HOUSING AND LIVING CONDITIONS STANDARD
FOR THE SOUTH AFRICAN MINERALS
INDUSTRY
April 2009**

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VISION

To give effect to section 100 (1) (a) of the Mineral and Petroleum Resources Development Act, 2002 and sections 26(1) and (3) and 27(1) and (3) of the Constitution of the Republic of South Africa, 1996, and other related legislation by ensuring that adequate housing, health care services, sufficient food, water are adequately provided to mine workers.

PURPOSE OF THE DOCUMENT

To develop basic guidelines aimed at fostering suitable housing and living conditions standards for mine workers.

1. Introduction and scope

The location of the mining operations, which in most cases tends to be far from existing settlement, has necessitated the employers to make provision for housing as an undertaking to be part of the infrastructure required to develop the mine. In the late nineteenth century, since the birth of modern mining industry, single sex hostels have been a significant feature of the system of labour on the mines. The housing and living conditions for many workers in the minerals and mining industry were of substandard nature, adversely impacting on their health, productivity and social well being.

The hostels system for black mine workers were run on racial and ethnic lines. Migrant labourers on the other side have been affected by these conditions to a greater extent as they were denied a normal family life. They were subjected to poor living conditions in single-sex hostels resulting social disruptions including the break-up of marriages. This has also contributed largely to the spread and provenance of HIV/AIDS and Tuberculosis in South Africa.

Government and stakeholders have acknowledged that the development of acceptable and sustainable housing and living conditions for the mine workers can be realised through private sector involvement in upgrading of hostels to decent single accommodation¹ apartments and conversion of hostels to family housing as part of improving the housing and living conditions of mine workers.

The overall objective of this document is to provide standards which will enable mine workers to have a choice in pursuing suitable housing and living

¹ Single accommodation means an apartment which has been built or renovated in accordance with the housing and living conditions standard guidelines and meant to accommodate a single person.

conditions for themselves. To achieve this objective and to provide coherence to acceptable and sustainable decent housing and living conditions for the mine workers, the Government has, in consultation with Mine Health and Safety Council, as well as stakeholders, proposed these measures on the standard of housing and nutrition of employees at the mines.

2. Principles for housing conditions

Mining companies in respect of a company providing accommodation must:

2.1. Ensure a decent standard of housing for mine workers;

- a) Current and future housing developments must be coordinated with the structure of mining towns and settlement.
- b) The provision of family housing should be associated with expanded community services and facilities including education, health care service and social well being;
- c) The management of hostels must be democratised so that employees/residents participate jointly with the mine management in all areas of decision making involving the running of accommodation units;
- d) Employer shall establish measures for upgrading of hostels and conversion of hostels to family units;
- e) When establishing measures to upgrade hostels and conversion thereof into family units, the employer must consult the Mine health and Safety Council, the Department of Housing and organised labour of their plan to upgrade the hostels.

2.2 Develop social, physical and economic integrated housing development within or outside the mining areas:

- a) The mining companies in consultation with other stakeholders shall assist financially and facilitate the acquisition of land within close proximity of the mine and plan their housing needs in support of compact, integrated and mixed land use environment;
- b) The housing development must consider and be based on the integrated development plans (IDP's) within their area of jurisdiction;
- c) Housing development must be done in a location conducive for the development of a residential property;
- d) The housing or single accommodation of mine workers shall be administered on non- racial and non-ethnic lines;
- e) Such development needs to address social facilities and adequate space to accommodate recreational facilities and other needs;
- f) The employer shall promote housing delivery for a range of income groups in such a way as to allow integrated and cross and/or state subsidy to cater for low income earners.

2.3 Be responsive to housing demand:

- a) The employer must make sufficient provision to respond adequately to the housing needs consistent with their growth plans;
- b) The employer shall offer the employees a range of tenure types which includes, for instance rental accommodation, home ownership and social housing²;
- c) Housing options should include single and family accommodation, accommodation in nearby settlements where feasible and/or accommodation in mineworkers' home areas;

² Social housing is housing provided for renting at lower rates than market rates to workers who cannot afford to buy their own homes or rent privately

- d) The principles of choice for employees over a wide range of flexible housing options should apply;
- e) Rental accommodation/allowance shall be suitable for employees opting for rental flexibility considering their occupational mobility and a need for temporary accommodation;
- f) Housing schemes/allowance shall be applicable to workers who have shown an interest in that tenure.
- g) An employee who was previously receiving a rental or living out allowance and who at some point decides to purchase a house or unit in the open market shall forfeit such allowance and apply for the housing scheme/allowance which shall not be less than what he or she was entitled to.
- h) Housing provided by the employer shall be redeveloped or built to have access to electricity, facilities for hot water supply and running water, basic fixtures and fittings in rental stock and access to ablution facilities.

2.4 Ensure the involvement of employees in the housing administrative systems:

- a) The employer shall encourage and support the employees in their effort to fulfil their own housing needs in a way that leads to empowerment;
- b) The employer shall put measures in place to make sure that education, training and information sharing in respect of the types of tenure takes place before occupation by employee and must be done throughout the process in such a way that the employee is able to make informed decision about their housing needs;

2.5 Ensure secure tenure for the employees in housing institution on the basis of the general provision:

- a) Mining companies need to co-operate with housing institutions to develop a consensus on roles and responsibility so as to educate all parties on these roles and responsibility, and allow for effective implementation of contractual obligation of all parties;
- b) The employer shall inform the employee of the tenure provisions of housing institution prior to and upon acceptance of this provision as a form of a consumer protection; where applicable.

2.6 Promote best practices and compliance with minimum norms and standards in relation to the delivery and management of housing:

- a) This is necessary for the employer to ensure consistency in housing delivery within the sector and the maintenance of acceptable level of quality and sustainable housing development;
- b) Housing development has potential to support the development of SMME in services such as plumbing, electrical and other maintenance functions, the employer is encouraged to provide support for the development of SMME in those services.

2.7 Promote the use of financing schemes in such a manner that is transparent and accountable:

- a) Transparency in decision making process, information exchange, accountability and efficiency in the administration of the financing scheme is essential for the successful establishment of housing;
- b) Financing schemes should be used to improve employees' living conditions;

- c) Housing as part of the remuneration package should be settled by collective bargaining;
- d) The employer shall inform the employee of the available financing schemes for home ownership.

3. Principles for living conditions

Mining companies in respect of a company providing for living conditions:

3.1 Must ensure proper health care services for the mine workers and their families living within and around the mining area:

- a) The employer shall ensure the creation of affordable, equitable and sustainable health care systems for the employees and their families;
- b) Sufficient proper nutrition/food and water are components of an adequate standard of living which has been linked to the productivity of mineworkers and must be provided for at an affordable, equitable and sustainable manner by the employer or necessary facilities for employees to prepare their own foods;
- c) Employees or their family members residing within the mining area shall not be refused medical treatment.

4. Monitoring and evaluation measures

4.1. The Minister shall take reasonable legislative measures to achieve the progressive realisation of these standards;

4.2. In establishing measures to improve the standard of housing, the mining company shall be required to indicate what it has done to improve housing and show a plan to progress the issue over time and the implementation plan thereof;

4.3. In the case of establishing measures for improving the standard of living and nutrition, the mining company shall be required to indicate what it has done to improve standard of living and nutrition and show a plan to progress the issue over time and the implementation plan thereof;

4.4. The Minister shall constantly assess progress against plans to attain acceptable living standards for mineworkers and their families with due regard to the sustainability of community involvement;

4.5. In order to implement and enforce measures contained in this standard document, the employer shall submit an annual report of compliance of the provision of this standard to the Minister.

5. Implementation measures

The Department of Minerals and Energy shall review all existing housing and living condition's plans in order to make sure that all relevant conditions and terms as per these standards are incorporated into the old undertaking.

The compliance to the principles embodied in this standard document shall have a significant bearing on the granting decision of all mining rights.

6. Non Compliance

Non-compliance with the Housing and Living Conditions Standard will render the entity to be in breach with the MPRDA and subjected to section 47 of the Act.

7. Amendments of the Housing and Living Conditions Standard for the South African Mining Industry

The Minister of Minerals and Energy, may, after consultation with the Minister of Housing, amend the Housing and Living Conditions Standard for the South African Mining Industry.
