



Media statement by the Bench Marks Foundation

A crisis of legitimacy: undermining dignity

19 October 2015

FOR IMMEDIATE RELEASE

Mining faces a crisis of legitimacy as while the industry may have a legal licence to operate, consent from local communities and broader society is waning, says Bishop Jo Seoka, Chairperson of the Bench Marks Foundation.

Delivering the keynote address at the annual meeting of the organisation in Johannesburg today, Bishop Seoka said that never before in the industry's history, had mining faced so many community protests, strike action. Nor had there been so many negative studies covering a variety of aspects, such as tax avoidance, social and labour plans and health issues.

"Throughout our ten years of research and thirteen published studies on the corporate social responsibility of the industry, we have always found that companies fall short with regard to the accuracy of their reporting and lack of real sustainable action on the part of the mines with regard to water contamination, air quality, and human health issues.

"There are winners and losers in mining, and unfortunately those that are on the losing side are always the communities surrounding the mines".

Seoka said that communities are not treated with the dignity that they should be afforded. The human dignity of such communities were undermined - a fact that was probably most important issue in the industry.

"Besides the obvious effects of mining, like those of environmental and health, communities suffer land contestation issues, land use, land loss and loss of livelihoods," says Seoka.

"To ensure the common good, there should be equitable sharing of wealth, a say by fully-informed and knowledgeable communities over decisions that may impact them, and a role for communities on various committees of the mining companies.

"But, most important of all is community well-being, real regard to their health, access to livelihoods and development and a role of oversight.

"For this to happen, impacts must be dealt with and mitigated in a way that allows for communities to be better off".

Seoka said that the question may arise as to what this means given that mining activity destroys health and wellbeing for most people, while generating profits for those who are far removed from

the working poor's experiences? His answer to this was that if common good did not encompass everybody, especially the less privileged and marginalised, it meant nothing

“Workers want a meaningful co-existence which takes into account their dignity. They want a living wage and decent work that allows for savings, family and child care needs, and decent family accommodation.

Said Seoka: “Workers are no fools, they know they extract the minerals at a huge human cost to themselves, but see a disproportionate amount of what they produce in Rands and Cents going to the CEOs and managers salaries as well as dividends to shareholders.

“This of course will create instability and social unrest which manifests itself in never-ending strikes.

“My call is for mining companies to operate transparently and honestly and to act responsibly. They need to create a situation where they are prepared to share the proceeds of production in a way that promotes the common good.

“This includes proper payment of taxes and royalties. They should work to a situation where workers say that this mine is a great place to work, rather than their current situation,” said Seoka.

“It is essential that honesty is brought into the equation. Mines must fully disclose the impacts of their mines and what communities can expect, and how they will deal with it all.

Investors should not give mines' the legitimacy they seek until they do this. They should follow what's happening internationally where the Church of England, for example, took a radical stand by withdrawing investments from tar sands oil and thermal coal, Seoka pointed out.

The Bench Marks Foundation monitors multinational corporations operation in Southern Africa and the rest of the African continent to ensure that they meet minimum social, environmental and economic standards and promotes an ethical and critical voice on what constitutes corporate social responsibility.

For more information on the Bench Marks Foundation and to access to all research reports, go to www.bench-marks.org.za.

ENDS

About Bench Marks Foundation:

Bench Marks Foundation is an independent non-governmental organisation mandated by churches to monitor the practices of multi-national corporations to

- ensure they respect human rights;
- protect the environment;
- ensure that profit-making is not done at the expense of other interest groups; and
- ensure that those most negatively impacted upon are heard, protected and accommodated within the business plans of the corporations.

The Foundation was launched by the Rt Rev Dr Jo Seoka who chairs the organisation and by member churches of the SACC in 2001.

Bench Marks contact:	Media contact:
John Capel Executive Director, Bench Marks Foundation +27 11 8321743/2 or 082 870 8861 Email: jcapel@eject.co.za	Chantal Meugens 083 676 2294 Email: Chantal@quo-vadis.co.za