

DRDGold looking at sustainable options during lockdown

Following the shutdown of operations on Thursday, 26 March 2020 in terms of South Africa's national lockdown, DRDGold has considered various options to recommence limited operations to sustain infrastructure and soften the impact of the stoppage without exposing employees to increased risk. One strategy is to re-start operations at its Far West Gold Recoveries (FWGR) surface retreatment operation at Carletonville, south-west of Johannesburg, in consultation with government and organised labour.



CEO Niël Pretorius

"Key considerations are the maintenance of hygiene, social distancing, screening capacity and the ability to provide medical assistance and isolation in the event of infections.

"It is said that South Africa is lagging international infection trends by approximately two weeks. Hence, exposure to close-proximity situations – for example, commuting by way of public transport – is at this stage amongst the most important challenges informing the decision to start up at sites located in and around the Johannesburg metropolis," says DRDGold CEO Niël Pretorius.

At FWGR however, Pretorius says, social distancing associated with the commute is not nearly as complex.

"It is a much smaller footprint with employees living much closer to the operations. This situation, coupled with all the other preventative protocols in place, means the FWGR working environment poses a considerably lower risk of infection than,

for example, the workspace of those involved in retail and public transport," he says.

Chapter 2, section 11A and Annexure B, section B.22 of the Disaster Management Act Regulations issued by the Department of Co-operative Governance and Traditional Affairs (CoGTA) define gold mining and refining as essential services, exempt from the restrictions imposed by the lockdown announcement.

"However, to move simply on a technical interpretation of the Act would be folly and for management to assume exclusive responsibility for the sustaining of health, jobs, social capital, the environment and the economy would be inappropriate in these circumstances," Pretorius says.

"This situation poses a challenge unlike anything any of us has ever experienced. Taking hard decisions is the essence of management, and invariably requires the weighing up of conflicting interests and finding a compromise of sorts. This time there is no balancing act – this situation requires that we defy the laws of physics, in that it forbids any compromise on the side of health and safety.

"We have studied the guidelines to reduce the risk of infection and we have implemented protocols in terms of hygiene and social distancing which will allow us to responsibly conduct limited production at FWGR.

"We have briefed our employees of the situation and have called for volunteers to resume work. We are encouraged that there are more volunteers than required at this stage – only 60% of the typical shift complement will be deployed at any given point in time."

A shared responsibility

Pretorius says the situation and its implications pose a burden beyond that which management could reasonably be expected to carry by itself.

"The State, as the representative will of the people of the country, and organised labour as the voice of its members, share this responsibility.

"Consequently, on Tuesday, we wrote to the Department of Mineral Resources and Energy (DMRE), explaining the situation and requesting its endorsement. This afternoon we had a very constructive telephone engagement with the Department in which a number of specific issues were discussed in terms of assurances required and the content of protocols. This conversation has paved the way for the limited resumption of reclamation activities, and we will build on it in the next few days.

"We have also written to organised labour, NUM and AMCU, and have invited their nominated representatives to attend a presentation on the details of the deployment of staff, the risk protocols that are in place and the support offered to employees who present with symptoms of infection. We have also offered to take them on a site tour at FWGR to show exactly what has been put in place to manage the risk of infection.

"We are confident that, in the spirit of collaboration and solidarity called for by South Africa's President, we will receive the support we have requested."

Addressing human hardship

Turning to DRDGold's societal role in the face of the pandemic, Pretorius says the company operates closer to visible human hardship than most entities in South Africa.

"We re-process mine dumps for gold. The communities living in proximity to our operations are amongst the poorest of the poor, as a result of which a large part of our social investment is focused on poverty alleviation.

"Many individuals in these communities live on a per-day economic cycle, performing odd jobs and making only enough

money for one day's food. They are the people hardest hit by the lockdown.

"We have therefore entered into an arrangement with Umsizi Sustainable Social Solutions, through a collaboration called Impophomo, to bring relief to these communities. DRDGold has made an initial seed investment of R200,000 in this initiative, and private funding of a further R100,000 has also been secured.

"This will be applied directly to addressing the immediate needs of certain target communities in Johannesburg, Ekurhuleni and Merafong, leveraging the footprint that we established through our small-scale urban farming initiative in which upwards of 2,000 families participate. Impophomo will also seek to collaborate with social services and other NGOs in the target areas to bring relief.

"In Carletonville, the staff of FWGR joined forces with SAVF, a family care organisation, to provide much needed soap, sanitisers and blankets. Security personnel at both operations have been asked to keep their eyes peeled for instances of hardship, which we will try to address through Impophomo.

"DRDGold has also purchased 35 high-care beds at a total cost of R600,000 in a programme launched by the South African Medical and Education (SAME) Foundation forwards that are being set up for Covid-10 patients at the Chris Hani Baragwanath Hospital in Soweto, Johannesburg."

Preserving the business

In closing, Pretorius flags the importance of DRDGold preserving its business by carefully and intelligently managing the impacts of Covid-19.

"We are working flat-out to find a solution for the logistical challenges at the Johannesburg-based operations.

Many employees there make use of own transport and the commuting service owned and operated by organised labour which we set up several years ago could also feature in providing the desired outcome. We hope to have bedded down a plan in this regard early next week.

"There is a lot at stake – the safety and health of our employees and society, employees' jobs, the savings of hundreds of investors, the South African economy and, ultimately, social stability.

"By taking the right decisions at the right time based on solid data, we give ourselves the best chance as a nation of staying on our feet through this crisis. It is the worst possible time for indecision through fear or for political posturing. Ideology and ambition should, just for a short time, play second fiddle to national consensus, collaboration and resolve."

For more, visit: <https://www.bizcommunity.com>