

Sibanye's Cooke to resume operations after unprotected strike over illegal mining

Sibanye's Cooke Operations is to resume mining on Monday, 3 July, following an unprotected strike over a prohibition on food being taken underground by employees for illegal miners. The strike started on 6 June 2017.



Photo: Sibanye

The ban was aimed at preventing food from being provided to illegal miners by employees, following signs of collusion. So far 77 employees have been arrested for assisting illegal miners. Since the strike began, thus indirectly preventing food being taken underground, 472 illegal miners have surfaced from underground and have been arrested.

Disciplinary action

A court interdict was obtained by the company on 8 June 2017, and disciplinary measures were taken against striking employees, who were provided the opportunity to appeal, a process presided over by an independent chairperson. The outcome of the appeal resulted in the dismissal of 99 employees being upheld, 407 employees are placed on final warnings and forfeiting their salaries and a further 869 forfeiting annual leave, in order to compensate for non-productive shifts.

Approximately 300kgs of planned gold production, equivalent to about R160m in revenue, was lost at the Cooke Operations during the strike.

Impact on economic viability

“The arrest of 472 illegal miners at the Cooke Operations, which are not dormant, but active, operating mines, indicates the extent of the illegal mining activities and the risks that this growing criminal activity poses to our operations, employees and communities.

“These operations have failed to meet production targets for some time, with illegal mining and employee collusion likely to have played a meaningful role in this underperformance. The Cooke Operations have been incurring financial losses and have been under strategic review for some time. The additional losses incurred, due to this strike, further impact on the economic viability of these operations,” commented Wayne Robinson, CEO of Sibanye’s Gold Division.

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