



Botswana Mine Workers Union

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"UNITY IS STRENGTH"

Our Reference:

5th July, 2016

The Vice President
Republic of Botswana
Office of the President
Private Bag 001
GABORONE

Attention: Honorable Mr. Masisi

A FOLLOW-UP PETITION OF THE BOTSWANA GOVERNMENT

1. The Botswana Mine and Allied Workers Union (the Union) is a duly registered Trade Union under the laws of the Republic of Botswana. As its members, who work for BCL Mine, we have staged this petition for the attention of the Government of the Republic of Botswana and have chosen his Honor the Vice President to receive it on behalf of the Government for national interest to be served.
2. Further we have mandated the National Executive Committee (NEC) members of our union to deliver it on our behalf as they hereby do in our presence in pursuance of a resolution of the Union's General Council seating of 11- 12 June 2016.

3. By way of background, BCL Mine is a company owned by the Government located in Selebi Phikwe, some 160 kilometers south east of Francistown. This company employs roughly 5000 employees of whom nearly 3300 are union members.
4. Your honor, this is a follow-up petition, the first one having been on 21st May, 2014 delivered to Dr. Akolang Tombale, the then Chairman of Board of Directors of BCL Mine which was met with the usual conservative disregard; the second was on 18th April, 2016 to Honorable Mr. Kitso O. Mokaila, Minister of Minerals, Energy and Water Resources almost 2 full years after the first, the outcome of which is yet to be known. Please note that at our delegates Congress in September, 2015, we again brought the state of the BCL Mine's poor safety situation to the attention of the Honorable Minerals Minister.
5. At a meeting of 10th May, 2016 convened by the Honorable Mokaila, we further explained in great detail that the situation at BCL Mine needed urgent Government intervention. He impressed upon us that he would within 2 months step in to understand the "Union's allegations" despite that they have been reported many times in past years.
6. Honorable Vice President, a fatal accident happened on 29 May, 2016 claiming 4 lives of our fellow comrades and badly injuring 6 others. This accident took place 19 full days after our meeting with the Minister. In this accident, the rope of the General Man Transporter (GMT) was diagnosed and declared to be worn out on 30th November, 2015 by Owen Masterton

Technicians and management did nothing to replace it in reasonable time until it snapped 6 months after the test. The significance of this accident is among other things that a delay even by a day can have disastrous consequences, as you have seen. That the Minister has not come back with concrete action plan to provide a lasting solution extends the delay and compounds problems at BCL in general and hence constitute a matter of great concern. Hence, the request for you to expedite immediate action. After the last fatal accidents more reportable incidents happened such as the ones below;

- 6.1 Fall of rock from side wall which injured one workman who sustained a broken pelvic bone on 20 June 2016.
 - 6.2 While blasting a hang up, a Miner in Charge at South East Extension got his leg broken on 27 June 2016.
 - 6.3 While trying to open a gate to tip, a locomotive operator was trapped by the locomotive at No. 3 Shaft on 30 June 2016 and is hospitalized.
7. Your honor, the recent fatal accident happened 10 full months after the other which took place on 18 July, 2015 which had claimed the lives of all 3 of our dear comrades working in a void, no go area at Selebi. At present, the recurrence of reportable incidents and lost time injuries is so frequent that management has resorted to radio and television reporting as a solution. Perhaps, we should mention that within the last 5 years, a total of **15 employees died on duty** trying to make a living at BCL mine in separate fatal accidents and many others sustained serious injuries with some of them becoming permanently incapacitated.

8. Accidents continue to happen and employees are dismissed on medical grounds before they have fully recuperated and lose Company medical cover after 3 months of boarding.
9. It is important to realize that accidents do not only result in deaths and injuries but do cause utmost suffering to families and dependents of the affected. The population of parentless children is increasing with each fatality at the same time these children do not get proper upbringing after the demise of those upon whom their lives depended on. The cost of medical care continues to rise and has become unaffordable for the injured as our current survey has found out.
10. Honorable Vice President, we have already explained that this is a follow-up petition as such we do not intend to repeat all the many problems already submitted to government. However, we make the observation that with every accident the Department of Mines come on site to investigate or to conduct an inquiry about the cause of the accident on behalf of government in terms of the standing regulations in the Mines, Quarries, Works and Machinery Act. Mine Inspectors respectively complain that their recommendations and safety procedures are not complied with or enforced.
11. The problem with government investigations is threefold;
 - 11.1 First, reports are kept secret making it difficult for employees to make input to corrective measures.

11.2 Second, there are no corrective measures taken to avert future similar occurrences according to complaints raised by Mine Inspectors.

11.3 Third, there is no real consequence for negligence committed by management.

12. Up to this stage there has been a lot of negativity played by Management which paints a gloomy picture about the future of BCL Mine. Listening to Management talk about how they want to give the Mine a new lease of life it is apparent that their vision lacks a focused strategic direction. Therefore do not promise a more productive and profitable Company. In short Management sees sale of assets, property and retrenchment of employees as a solution. In regard to sale of property it is most unfair that it is contemplated at a time when the purchasing power of employees is crippled by the impending retrenchment. There is no clarity on how the company positions itself in readiness for market upturn. It is regrettable that Management seem to have succeeded in convincing everybody else that the life of BCL Mine ended with the fall in commodity prices and Government has become gullible to this and seem to accept that closing BCL Mine or some of the shafts is a way to go.

13. It is our argument that the fall in commodity prices is not responsible for the bankrupt state of the BCL Mine but Management's lack of vision and poor use of funds. The evidence is not hard to find. Take the laudable Mahupela Pollaris II Diversification Strategy from Selkirk, to Maibele to Sulphuric Acid, to Maibwe and to the confirmed failed

Mahalapye Iron Ore and the glorious Pula Steel Projects which recently closed mysteriously. The reality is that all these projects despite the hype around them are defunct.

14. Tati Nickel Mine alone was acquired at about 3 billion Pula from Norlisk as a viable entity then, today it has no future under BCL Management. As if that is not enough the acquisition of Pula Steel Processing Plant costs about P53 million and the Smelter Shutdown about P754 million to mention but a few. There is no doubt that the BCL diversification drive was over ambitious if not someone must show us the return on investment for the dollar spent on each project. These projects were put together by the current Management at a time when the commodity price was good and the Company was awash with money. In a nutshell, what Pollaris II achieved is nothing else but the systematic erosion of the BCL Mine's cash reserves. It is fair to propose at this juncture that management must be held to account with attendant real consequences.

15. Your Honour, the sad thing is that the lack of vision is perpetuated in the form of Management moving by guess work. At one point they are pushing for recapitalization then shift to declare that the mine is not viable, low grade ore is to be blamed, then the smelter is oozing, tube leaks are responsible and then jumps to low commodity price as the culprit. It is difficult to understand the strategic direction to profitability under the current EXECUTIVE regime and this is the main reason we say national interest would not be served if you keep them.

Six elements are clear to everybody;

15.1 Production targets are not being met and no development is taking place.

15.2 The performance of the Smelter is sluggish and does not justify the P754m spent to refurbish it during the shutdown.

15.3 Safety is the poorest and grossly neglected.

15.4 Cost containment is non-existent.

15.5 Our welfare in the bargaining unit in total package terms is neglected, we continue to earn peanuts and employees' morale is at its lowest.

15.6 Audited financial statements remain a secret.

16. The above performance indicators point to one thing, poor performance on the part of Management and cannot be blamed wholesale on a fall in commodity prices.

17. It is unfortunate that Government intervention is unwilling to involve employees and the Union. Already mention has been made that Government has deployed an independent Investigator to look into problems affecting BCL Mine. To date we have no idea what his terms of reference are needless to mention his mode of operation in particular how we will participate.

18. In relation to our jobs, we appeal to you to adopt the most profound piece of public policy ever formulated by your Government as in the words of Mr. Botsalo Ntuane, Secretary General of the Botswana Democratic Party (BDP) when talking

on implementation of Minerals and Territories Act (Weekend Post – February 2016) wrote “...were BCL privately owned operation similar to Australia, Brazil and Zambia it would have suite by drastically scaling down operations, shedding jobs or close shop.....” He went on to say, the company and employees are insulated from joblessness by subsisting on revenue generated from other national endowments such as diamonds and capital injections, tax exemptions and loan guarantees.

19. In conclusion, the Board of Directors reached a dead end in strategic thinking, and the Ministry of Minerals, Energy and Water Resources is still in the pipe line while this important national resource is on a sick bed. We therefore, call upon you to expedite action on all the issues we raised in our last two petitions – of which we attach for your ease of reference – the aim being to give BCL Mine a new lease of life:

20. **POSITION;**

We call on Government to deploy strong visionary and competent Executive Leadership to develop and implement a robust turnaround strategy for the Company as a matter of top priority within the shortest possible time, to;

20.1 Save the Mine and Jobs

20.2 Enforce Mines, Quarries, Works and Machinery Act and any other relevant law.

20.3 Implement International Labour Organization (ILO), Health and Safety in mines Convention 176.

