



Undermining Development?

Copper mining in Zambia

Simon Chase

Action for Southern Africa

Outline

- Campaign summary
- Labour standards
 - Decent work?
 - Contract vs. permanent
 - Government policy
 - Company recommendations
- Corporate Social Responsibility
- Conclusion and discussion

Campaign Summary

- Inequitable contracts
- Low taxation
- Poor labour and environmental standards
- Weak civil society



Campaign Summary

- Report published
- International media
- Shareholder + company engagement
- Government policy change
- Some environmental/ labour issues addressed



Labour standards



Labour standards

Positive

- Union engagement
- In line with national legislation
- Basic benefits

Negative

- Massive contract labour force
- Unpaid overtime
- Illegal mining
- Health and safety issues

Decent work?

- Paid less than the amount required to satisfy the most basic needs of them and their family.
- Overtime goes unpaid.
- Safety equipment inadequate
- Attractive pension scheme can be impossible due to daily challenges

Contract vs. permanent labour

- Contract staff suffer worse terms and conditions than permanents
 - Health and safety procedures
 - Very poor wages
 - Contract firms do not always employ/understand national legislation
 - Poor job security
 - No benefits (health, education)

Government policies

- The Mines Safety Department in the Department for Labour Affairs—unable to adequately regulate to protect mine-workers.
 - Minimum wage legislation is poor.
 - Laws on unionisation are prohibitive.
 - Lack of skilled government & regulatory personnel.

Company recommendations

1. The amount paid to contracting firms allows them to pay their workers fairly and to provide adequate safety equipment
2. Overtime for contract workers is not mandatory and that they are paid for the additional hours they work
3. The deadlines given to contracting firms do not necessitate involuntary overtime by employees
4. They monitor contract firms to ensure they are abiding by these conditions and compliance with Zambian labour laws
5. Contractors receive an amount that enables them to use the mine's medical facilities free of charge
6. All employees directly employed by KCM receive a living pension

Corporate Social Responsibility



Corporate Social Responsibility

- Some good long term practices
 - HIV/AIDS programme
 - Malaria rollback
 - Health care services for miners
 - Education services

CSR (2)

- Some contentious practices
 - Social initiatives- 'noble'
 - Sporadic health care projects
 - Tokenistic community projects
 - Infrastructural repair

All lack relevance to core business and can be interpreted as driving a favourable public relations agenda

Conclusion and discussion



Conclusions

- Casual labour prevents social and sustainable development
- Weak governments in developing nations benefit strong companies
- Companies can use philanthropy as smokescreen for social responsibility

Discussion

Can CSR translate into private sector responsibility towards the decent work agenda?