

COAL MINING'S CHANGING LANDSCAPE

The coal industry, though affected by the global recession, has not been as badly impacted as other commodities and still enjoys relatively high sales prices. With market demands coming from China and India, the overall long term trend looks fairly bullish. Both first and third world economies depend on coal as a fuel source for energy generation, as there are few economically-viable alternatives for short-to-medium-term demands right now.

In South Africa, like the rest of the world, the credit crunch has shown signals of improvement. Experts believe that we will start seeing small improvements in the economy by the end of the year. However, many organisations are worried about investing capital too soon.

Some 40 mines will need to be established in Eskom's expansion programme, which should be up and running within the next decade. There is also a shift taking place where coal mining is moving from the Mpumalanga region to the Limpopo region to meet new coal demands.

Issues arising out of this move include multiple seam areas that create difficulty in beneficiating the material; the setting up of infrastructure and the fact that most coal areas are in environmentally-sensitive surroundings.

VLower quality coal seams is also an issue. The amount of work to be done in terms of sustainable development and attaining government approval and mining licenses, shouldn't be underestimated.

While companies are not spending much on the execution of projects right now, they are focusing more on studies, which is a good investment at this point. Time frames on getting approvals on prospecting and receiving mining licenses are long, and ample time must be factored into project schedules.

Another challenge for the coal industry is meeting the skills shortage. Even though the coal mining and processing industry in South Africa is a very mature one, we are not seeing enough new candidates coming through the system.

The more experienced engineers and consultants are retiring now, and there's a gap that needs to be filled. In the 1990s, many mining companies invested substantially in the training of process and mining engineers, but later reduced funding. On top of that, mining wasn't marketed as a viable career for youngsters."

A number of local mining and engineering companies have attempted to address the skills shortage through various initiatives. Of special note here is the South African Coal Processing Society which specifically attempts to promote the interests of coal beneficiation.

The Fossil Fuel Foundation also performs commendable work on the general education within the South African coal sciences arena.

Hatch also supports the Mine Educational Training Fund (METF) which attempts to keep tertiary level educators within the mine engineering industry. This is primarily done through supplementing the government income of teaching staff.