



ECONOMIC GEOGRAPHY



**MINING: CONTRIBUTION TO SA ECONOMY
AND SIGNIFICANCE TO DEVELOPMENT IN SA**

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Mining

- Contribution of mining to South African economy
- Significance of mining to development in South Africa



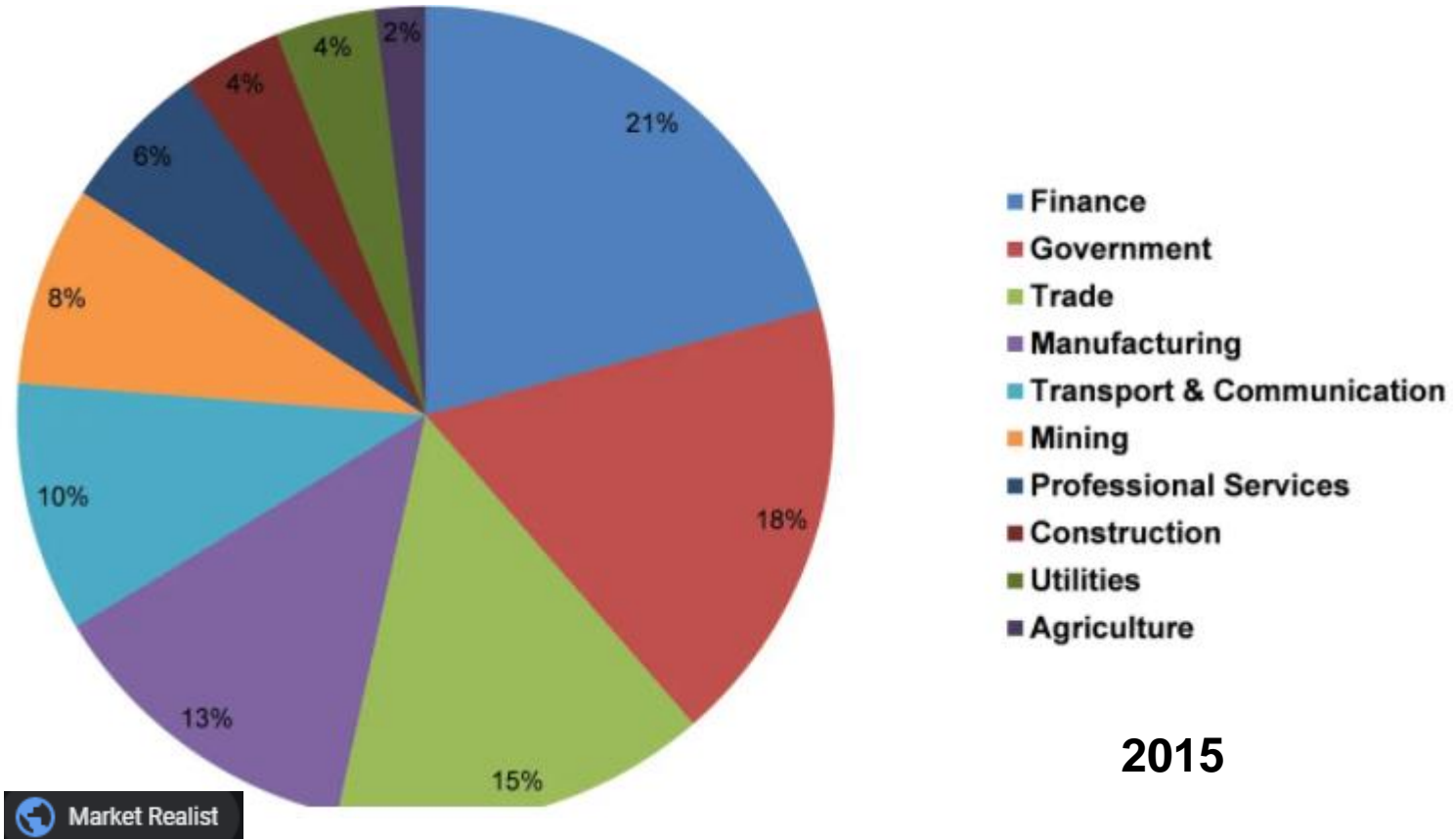
Opencast mining is a surface mining technique that extracts minerals from an open pit in the ground



Shaft mining refers to accessing of underground minerals through a vertical opening called a shaft.



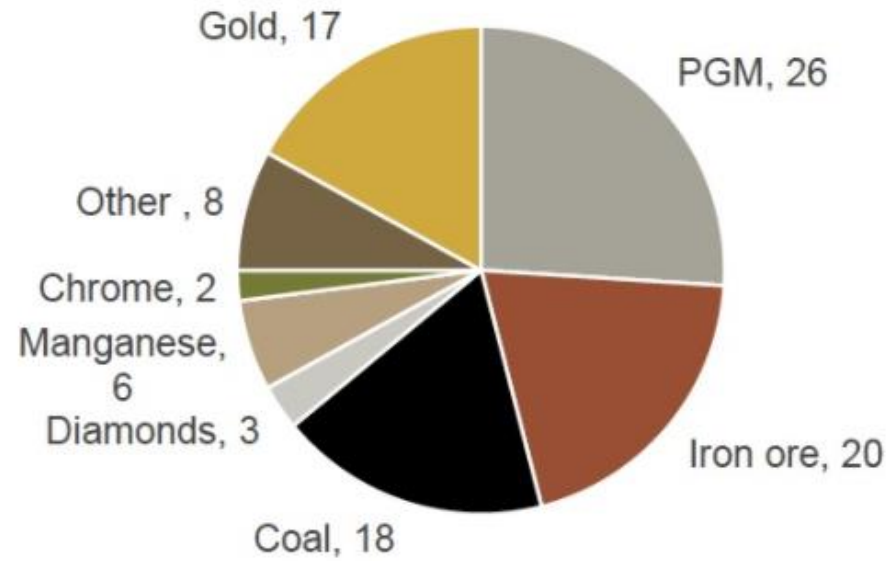
Contribution of mining to the South African Economy



- Important contributor to the GDP (8% in 2015)



Sector contributions to mining minerals exports in SA (2016)



Source: Chamber of Mines estimates; StatsSA

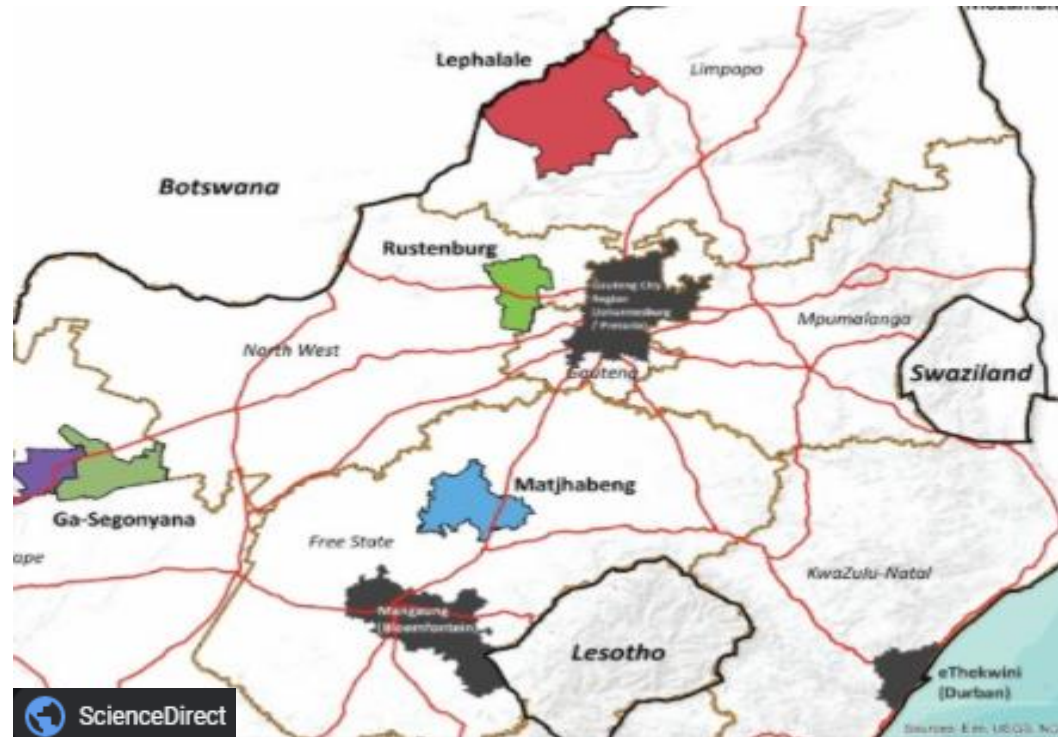
- Exports from mining mineral brings in a lot of foreign exchange. In 2018 the total mineral sales from the mining sector amounted to R498. 7 billion, of which R333. 2 billion was from export sales.



- Stimulates growth in the secondary, tertiary and quaternary sector e.g. providing raw materials for the manufacturing of jewellery (secondary), selling of jewellery (tertiary) research on improving mining or jewellery (quaternary).



- Creates employment. In 2018, the mining industry as a whole employed almost 453,543 people.



Adapted from  ScienceDirect

Mining towns and transport infrastructure

- Led to the development of infrastructure e.g. transport (road, rail and harbours) and mining towns

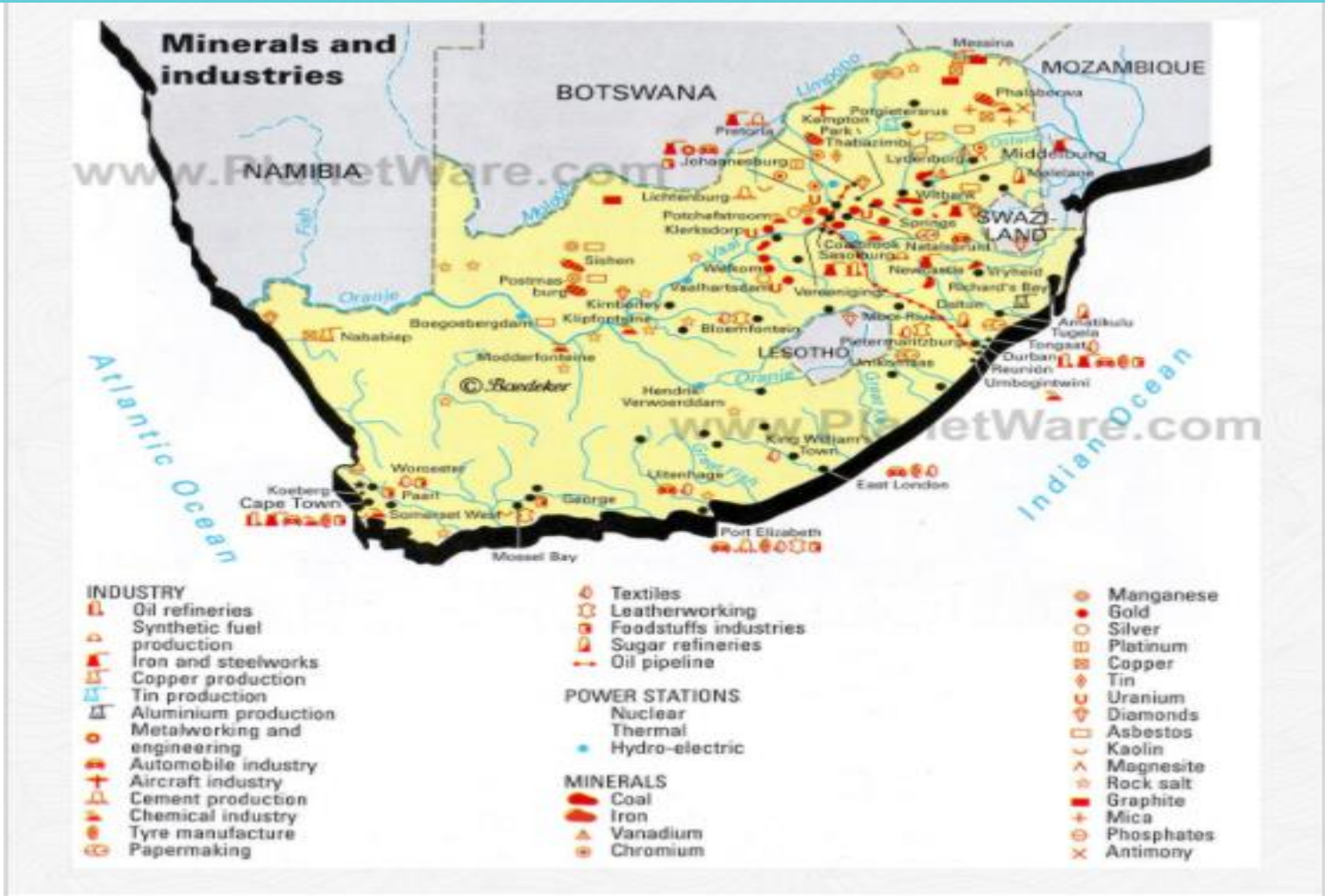


Significance of mining to development in South Africa

(Please note various factors are similar for contribution to economy and significance for development. Difference is it must be applied to economy and development)

- Contributed to the development of infrastructure e.g. transport (road, rail and harbours), mining towns, communication networks.
- Creates employment. In 2018, the mining industry as a whole employed almost 453,543 people. This creates a bigger market for goods resulting in the development of all economic sectors and an increase in taxes collected.
- Contributes to energy development e.g. coal for production of electricity (ESKOM) and provision of fuels (SASOL)





- Large amount of minerals contributed to develop of secondary sector as it provided raw materials.



- Taxes collected from mining used in developing South Africa e.g. building of infrastructure, health facilities, education.
- Foreign exchange (money) from exports used for development of country.
- Foreign investment result in development of infrastructure and skills.
- Demand for skills resulted in more tertiary institutions.
- Development in technology and research facilities e.g. developing equipment and systems in order to make mining more efficient and safer.



Anglo American
Modern underground mining