

7.3 Richards Bay Minerals is located in an area where there are a number of Black urban and rural living areas within commuting distance of the plant site.

At the Company's inception in 1977, personnel with industrial skills who were nearly all White, had to be brought into the area and 400 houses had to be constructed to accommodate them and their families. The cost of this housing was R9 million. At the same time, RBM built a total of 231 houses for Blacks in the township of Esikhawini. The cost of this housing was R1,6 million. For several years many of the houses for Blacks were empty due to lack of demand. Many employees did not wish to forego their tribal residential rights. Those rights become forfeit when a resident ceased to live permanently in a tribal area. By 1983, all these houses had been occupied by employees and due to training and internal promotion of Black employees, the number of houses for skilled and supervisory employees has become inadequate.

As a consequence, in 1985 the Board approved a further R1 million to be used for Blacks to acquire homes of their own choice.

In 1986 a further R1,3 million was approved and the building plan was planned to be implemented in 1987. However, a number of administrative problems with the Kwa Zulu Government delayed this and building was only implemented in 1988. 29 Houses have been erected at a cost of +- R100 000 each (by end of 1988 only 6 were not yet completed). These houses are of a quality equal to the homes their white counterparts are provided with.

The company has now implemented a housing bond scheme in terms of which RBM subsidises interest rates between the company's standard 4% and the market rate.

The company also makes available loans to a maximum of R15 000 each to employees who wish to purchase/build their own homes in Tribal areas where building society bonds are not available.