

Press statement

Minister welcomes Reopening of Highveld Steel Plant in Mpumalanga: 500 jobs created in steel complex

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A steel plant employing 200 workers in direct production and a further 300 workers on site in Mpumalanga was officially reopened today. Highveld Steel, a company that closed in 2015, has restarted production of structural steel products, in a partnership between business and government.

At the official opening ceremony today, Minister of Economic Development Mr Ebrahim Patel told the gathering that South Africans show enormous resilience in difficult circumstances.

“The reopening of the Highveld Steel plant in Mpumalanga is an example of what can be done with focus and partnerships. When the plant was closed two years ago, government worked with industry to find solutions that can restart operations. Arcelor Mittal saw an opportunity to provide blooms as input for the production of structural steel products and railway lines. This means we can now replace products that are currently imported and there may be further opportunities on the rest of the continent to export these products,” Minister Patel said.

“In 2015, the plant owned then by Evraz, a Russian steel-maker, closed down with the loss of 1700 jobs. The company and its partners have shown resilience and creativity and they are transforming the old steel mill complex into a new multi-purpose industrial hub, consisting of a steel-works, a coal storage depot for junior miners, a maintenance service centre for dumpster-trucks and a training centre that can address skills needs in the area,” he said.

“Steel is the foundation of any industrialisation plan and we have to retain and support our capability and industrial capacity at a time when global markets are still facing a supply-glut. The most effective protection will be new investment in plant and training of staff to enable nimble, competitive enterprises. Today’s announcement comes a few days after government announced a new R1,5 billion Steel Competitiveness Fund, and is a further boost to confidence in the industry,” he said.

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