

## **MEDIA STATEMENT**

## FOR IMMEDIATE RELEASE

## **13 FEBRUARY 2014**

## MINING INDUSTRY CALLS FOR EXPEDIATED IMPLEMENTATION OF MINING GROWTH INITIATIVES POST THE SONA

The Chamber of Mines of South Africa representing its member companies notes various pronouncements made by His Excellency, President Jacob Zuma in his State of the Nation address last night.

Critical to for the mining industry is the announcement of government's intention to fast track the establishment of the Mining LAB for the country.

"This initiative is a demonstration that indeed we are over talk shops but more focused on collective actioned premised on sound economic and administrative decisions and actions that can drive investment, growth and transformation in mining", said Roger Baxter, Chief Operating Officer of the Chamber of Mines who has been leading industry's interaction with government on the project. The Chamber is focused on working at a leadership level with government and other stakeholders to promote transformative change to grow investment in the mining sector.

As stated earlier in the year, the Chamber is indeed encouraged that government is now critically seized with the energy crisis facing the country.

"We are pleased by the pronouncements but we would like to hear more about what will be done on Eskom in the medium term so that that business gains the confidence that its production schedules will not be compromised", said Mike Teke, President of the Chamber of Mines. It is critically important for the mining sector and country that we drive collective solutions that restore Eskom's reserve margin and builds competitive, stable and available electricity supply for the country in the medium and longer term. The mining industry is already playing a key role in electricity load reduction, and is committed to working with government on sustainable solution. This includes supply from the Grand Inga Project.

"We are very much alive to the extensive infrastructural prerequisites that must be in place before INGA brings to fruition the energy solution needed in the country", added Teke. The Chamber notes the statement on agricultural land use and will continue its engagement with the Departments of Agriculture and Environmental Affairs on various strategies to ensure that mining co-exists with food security initiatives.

Illegal mining is a threat to the sustainability of the South African mining industry and must be treated with the seriousness demonstrated in the President's speech. The Chamber of Mines has in this regard appointed a dedicated expert who will represent its members on all structures that are seized with the matter.

"This is a scourge and poses an intrinsic risk to companies, employees and the economy, from a safety point of view as companies we need to guarantee our workforce that these rouge elements will not put them at risk as they go on with their daily work and we have had to increase security measures", said Graham Briggs second Vice president of the Chamber and champion for the elimination of fatalities task team.

The sector welcomes the dedication of funds towards the revitalisation of mining towns. Already the Chamber member companies are implementing the Municipal capacity building Project which seeks to assist municipalities within mining provinces with scarce skills that are needed for better planning and project implementation.

"We believe that industry can better assist government when infrastructure and basic services planning is a shared responsibility so that we begin to see the critical mass change in so far as addressing human settlement and other community needs", said Khanyisile Kweyama, Vice President of the Chamber.

Industry cannot over state the need to a predictable legislative environment and notes the President's statement on the MPRDA. Furthermore, the mining industry leadership through NEDLAC and BUSA have consistently expressed its views on the issue of a minimum wage and will continue to seek sustainable ways of addressing wages, living and working conditions within the sector as part of engagements through the Framework Agreement led by the President. The sector will always champion the need for workers to be protected and is encouraged by the President's assertion for a stable labour relations environment.

Issued by The Chamber of Mines

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