



CHAMBER OF MINES
of South Africa

MEDIA STATEMENT

CHAMBER OF MINES WELCOMES MEDIUM TERM BUDGET POLICY STATEMENT

Approach of measured and balanced fiscal consolidation remains key

Johannesburg, 26 October 2016: The Chamber of Mines welcomes the Medium Term Budget Policy Statement (MTBPS) released by the National Treasury today, under the guidance of Minister Pravin Gordhan. In particular, the Chamber welcomes the approach of measured and balanced fiscal consolidation, and in parallel the focus on promoting investor and business confidence and investment-led growth and inclusivity.

Chamber of Mines CEO Roger Baxter noted the Minister's comments in respect of regulatory certainty, and agrees that it is imperative the MPRDA Amendment Bill is finalised in such a way that it encourages investment through the provision of regulatory certainty, stability and competitiveness. The Chamber confirms that it has been engaging with the DMR in terms of the dispute on interpretation on the ownership element of the Mining Charter, and it is the industry's preference too that solutions are found that are in the national interest.

In conclusion, Mr Baxter notes that the "green shoots" of investment-led growth need macro-economic stability, certainty and stability. Given the fragile economy and the mining sector in economic crisis the source of any additional tax burden will need to be carefully considered. Higher corporate taxes at this time of financial distress would only discourage the additional investment desperately needed to improve the country's economic growth rate.

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