



CHAMBER OF MINES  
of South Africa

# MEDIA STATEMENT

---

## RESTORING THE DREAM – ACHIEVING THE POTENTIAL OF SA MINING

**Cape Town, 6 February 2018.** Chamber of Mines CEO, Roger Baxter today presented at Mining Indaba 2018. Mr Baxter’s presentation outlined what the industry can do to contribute to restoring the South African dream by achieving the full potential of mining.

Mining matters to South Africa and its people. In 2017, the mining industry:

- contributed R312 billion to GDP
- contributed R93 billion to fixed investment
- paid R16 billion in taxes and R5.8 billion in royalties
- employed 465,000 employees who supported some 4.5 million dependents
- paid employee wages of R126 billion
- created 1.4 million indirect jobs
- spent R663.4 billion on goods and services

Mr Baxter noted: “Despite the tough time the industry has been going through, we have been fighting to hold our own, helped by the market in some sectors thanks to the welcome, albeit gradual, improvement in the world economy. But, the challenges of the regulatory environment in 2017 were arguably the worst the industry has ever experienced.

“The extent of the damage done to South Africa’s institutions, the economy as a whole and the mining industry in particular, has been immense. The unilaterally imposed revised Mining Charter resulted in a loss to South African listed mining companies of R51 billion in one day.

“It has become very clear that key governance and policy challenges have eroded business and investor confidence. Using just one benchmark as an example, the Fraser Institute Investment Attractiveness Index ranks South Africa in the top quartile for mineral potential. But, conversely, South Africa is ranked lower than other mining jurisdictions in in terms of



best practice, policy, legislation, regulation and operating environment. Clearly, there is a significant mismatch between potential and current outcomes.”

At the end of 2017, the Chamber published a report on the findings of an aggregated survey recently conducted amongst its members in an attempt to understand the investment and employment potential of the mining industry in the event of a return to better practice in policy, legislation and regulation formulation.

An important finding of the survey was that the estimated currently planned capital spend in the mining sector of R145 billion could potentially increase by R122 billion or 84% in a more stable and conducive environment. The impact on employment creation would be 48,000 people in the industry itself. Both direct and indirect jobs created would amount to around 150,000 much needed jobs in the current environment. The full report may be accessed at <https://goo.gl/TpxxGL>

“The Chamber and its members are cautiously optimistic about initial signals from new leadership of ruling party. The next few months will have a defining impact on the mining industry, and the country. The road ahead will not be an easy one. So much is at stake. And the newly elected leadership will have considerable task at hand. We are hopeful, nonetheless of a renewed focus on responsible and ethical leadership in the national interest,” he concluded.

*The full presentation titled **Restoring the dream – achieving the potential of SA Mining** may be accessed at <https://goo.gl/CS2V7c> and <https://goo.gl/wJxKYq>.*

For further information please contact:

Charmane Russell

Tel: +27 (0)11 880 3924 or Mobile: +27 (0)82 372 5816

Email: [charmane@rasc.co.za](mailto:charmane@rasc.co.za)

Web: [www.chamberofmines.org.za](http://www.chamberofmines.org.za)