



Chamber of Mines of South Africa
Putting South Africa First



MEDIA STATEMENT

FOR IMMEDIATE RELEASE

TO ALL MEDIA

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AN INVESTMENT PRUDENT 2014 NATIONAL BUDGET

The Chamber of Mines acknowledges and welcomes the sound National Budget presented today by the Minister of Finance, Mr Pravin Gordhan. The Chamber is encouraged by the focus on prudent macroeconomic decision making in a challenging global and local economic environment and particularly in the context of the struggling mining sector.

The Minister's focus on the critical need for partnership between government, business, labour and civil society in order to achieve the higher growth rates envisaged in the National Development Plan is critical for the mining sector and for the country.

"It is through collaborative problem solving partnership that we can break down the barriers to higher growth for the benefit of all citizens", said Mike Teke, President of the Chamber of Mines South Africa.

The recognition by the Minister of the challenges that the mining sector faces, and the commitment shown by government to working with the industry, to restore stability in the industrial relations space, to streamlining mining licensing and to get the mining industry back to work are important statements.

The commitment by government to improve the efficiency and availability of infrastructure, particularly freight rail and electricity are important commitments that the mining industry fully supports. We will work collectively to continue to improve the investment environment with government and other key stakeholders. However, we implore government to encourage its state owned companies to deliver on their infrastructural commitments, and in the case of electricity for the load to be shared between all users during tight supply periods.

As a sector we share government's concern regarding the over indebtedness of households and the negative impact of unscrupulous lending has on workers. The Chamber supports the measures to amend the National Credit Act to address this issue.

Regarding the taxation proposals and processes the Chamber supports the employment tax incentive, which needs to give hope to the youth to find employment opportunities. The Chamber and its members look forward to engaging the Davis Tax Committee and sharing its views on the

mining taxation system and the overall contribution of mining to the economy. In terms of the government's commitment to a consultation process on mining sector contributions to managing the issue of acid mine drainage, the Chamber looks forward to engaging in this process.

**Issued by
The Chamber of Mines South Africa**

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