

THE CHAMBER OF MINES IS ENCOURAGED BY THE STATE OF THE NATION ADDRESS

The Chief Executive of the Chamber of Mines of South Africa, Mr Bheki Sibiyi, said he was encouraged by the State of the Nation address. “President Jacob Zuma’s State of the nation Address in Parliament tonight confirms that engagement between the private and public sectors is essential for economic growth in South Africa. Such engagement is even more crucial for the economic well-being of the country and all its citizens. We welcome the acknowledgement that the private sector has a crucial role to play in developing the nation and accept that the public sector, too, has a major contribution to make. This calls for an even stronger partnership approach.”, Mr Sibiyi said.

Mr Sibiyi was particularly encouraged by the fact that Government has already committed to R860-billion towards infrastructure projects, paying special attention to rail infrastructure development, to ensure that coal will be transported by rail instead of roads. “We are particularly pleased that the Majuba rail coal line will begin soon and hope that its construction will be completed within targeted timeframes. Such infrastructure will contribute significantly to sustainable coal supply for the generation of electricity in the country,” he said. He further stated that the acceleration of the construction and improvement of rail infrastructure will go a long way to ensure that South Africa remains globally competitive and take advantage of the commodities boom in the near future.

“We welcome the announcement the research on the country’s tax system including the royalty’s tax which affects the mining industry. In the spirit of stakeholder partnership we look forward to be invited to contribute towards this research to ensure that its outcomes are fully informed to improve the tax regime on South Africa. The mining industry is already making significant contributions in taxes and makes further contributions through royalties on super profits. We are hopeful that the research will make recommendations that will ensure an equitable tax system for all sectors of the economy,” said Mr Sibiyi.

The announcement of mechanisms to deal with violent strikes and measures to prosecute perpetrators speedily is also to be applauded. Such measures will build investor confidence and promote foreign direct investment because government is committed to protecting sustainable business in the Country. “We also welcome the President’s endorsement of the National Development Plan (NDP) and hope that all sectors of the economy and communities will work together towards the achievement of the objectives of the NDP. There is a strong acknowledgement from the mining sector that more can be done to improve the social and living conditions, especially in communities around mining operations and areas from where labour is drawn. We believe that a much stronger partnership with local municipalities, supported by the Department of Human Settlement will result in faster delivery of houses for workers and the broader community. The mining industry is committed to work with government and all relevant stakeholders to deal with the difficulties of mining which is the backbone of the economy as the President stated.”

Mr Sibiyi concluded his comments on the Presidential address by saying: “While the mining industry is currently going through difficulties with the real threat of job losses, we remain confident that the mining industry will continue to be a major contributor of job creation and poverty alleviation in order to achieve the 2030 vision of the NDP.”

Released on behalf of the Chamber of Mines by:

Vusi Mabena

Senior Executive: Transformation and Stakeholder Relations

Tel: 011 498-7278

Mobile: 08204655758