

Phosa: Mining needs policy certainty

By  [Danette Breitenbach](#)

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No sector is more in need of long-term policy certainty than mining. Illegal mining is just one of the issues that needs to be addressed urgently by government if it is to create investor confidence. Because illegal miners do not pay tax or royalties and have no mining rights.



Presidential hopeful, Dr Mathews Phosa. Photo: [First4Women](#)

Government needs to be sensitive to investor needs

“The mining industry has suffered because of the regulatory environment, but the government appears to not understand this. It does not appear to understand that the time it takes to grant mining rights and water rights is too long. Investors are discouraged by this. Government has to be sensitive to the needs of business and international investors in this regard,” Dr Mathews Phosa, former Mpumalanga premier and treasurer-general of the ANC, told the Junior Mining Indaba in Johannesburg.

He said he had engaged with the minister on this issue and that the minister had promised to address it.

Dying dream

South Africa is in dire need of dramatic political and economic changes, and is experiencing the same dying dream as Zimbabwe, with the country walking the same path. “The hope that all South Africans experienced in 1994 is gone. It is not just white South African as leaving the country, but also black South Africans. Perth in Australia boasts 3,000 black South Africa immigrants. This loss of expertise and skills is something the country can ill afford. If anything, we need to bring them back,” he said.

“The ANC has lost its moral compass and the president has raped the economy, but pointing fingers at the president alone is not good enough; all the members of cabinet must take responsibility for the massive damage that has been done to our economy. The executive has long since ceased to understand its duty is to uplift the poorest of the poor, instead they protect the president.”

The result, he says will be visible in the 2019 elections, when the majority of voters turn their backs on the ANC. “They will vote with their empty stomachs and cold shacks.”

Black business throttled by regulation

Phosa outlined what he believes needs to be done to turn the tide. “Foreign investment is badly needed. We need to treat education as a national key strategic project and to redefine our economic strategy to incentivise the private sector and foreign investors to create jobs in the short term. We also need to appoint our very best minds to deregularise every form of bureaucracy from our statute books and to fast track our public works programmes.”

The development of black business is being throttled by regulation, he added. “Charters need to be negotiated with stakeholders and the rules cannot be changed in the middle of the game. We urgently need nation building and reconciliation. We come from a difficult past, but our constitution demands we move on.”

Last, but not least, he says, the president must resign. “This will immediately restore investor confidence.”

Phosa also reiterated that he would be willing to stand for president if he was asked.

In his welcome to delegates, Bernard Swanepoel, chair of the Junior Mining Indaba, said the mining industry is under attack from the mining minister, who is supposed to have the best interests of the industry at heart. “With the country in a recession, future stakeholders need to work together, not fight each other. This only makes it harder for the junior mining sector, which already faces many challenges.”

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

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