



CHAMBER OF MINES
of South Africa

MEDIA STATEMENT

CHAMBER OF MINES 'DEEPLY CONCERNED' FOLLOWING CABINET RESHUFFLE

Urges leadership to put South Africa and its people first

Johannesburg, 31 March 2017: The Chamber of Mines is seriously concerned at the dismissal of Pravin Gordhan as the Minister of Finance, a move that can only be described as bizarre and difficult to understand, particularly as it comes at a time when South Africa's sovereign credit rating is at risk and investor confidence in the economy is at a very low ebb.

The Chamber agrees with Deputy President Ramaphosa that the firing of well-respected Finance Minister Pravin Gordhan is unacceptable.

Business, labour and the Treasury have worked hard over the past year to protect South Africa's credit rating. Leadership stability and capability in the key Finance Ministry and Treasury are crucial to sustaining progress on avoiding a downgrade.

It is equally hard to fathom why high-performing Ministers, of exemplary character, who have worked hard to protect the country's investment credibility so that economic growth can underpin social and transformational objectives, have been axed while others, who have been embroiled in crises of huge proportions which could have detrimentally affected millions of vulnerable South Africans, have been left unscathed.

The events of the past few days have placed South Africa on a knife's edge and are likely to be negative for our credit rating. Instability serves only further to exacerbate the negative impact on the markets and fuel speculation which is damaging to our country's reputation as an investment destination.



South Africa needs to have a Finance Ministry and Treasury that are led by competent, capable and respected people who create the basis for investment, growth and transformation in South Africa's economy. It is hard to win investor confidence, but easy to lose it. At this juncture, the mining industry believes the changes will lead to instability and reduce investor confidence.

The President has the right to appoint his Cabinet Ministers. As with all rights, however, this right is counterbalanced with accountabilities and responsibilities. The President is beholden, in terms of the Constitution, to serve the interests of the nation. He must promote "the unity of the nation and that which will advance the Republic".

The mining industry urges every one of the country's leaders to promote "the unity of the nation and ... advance the Republic". It is South Africa and its people that must come first.

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