

Mining jobs losses on the decline

Fielding questions from members of parliament in the National Assembly, deputy president Cyril Ramaphosa says government's plan to save jobs in the mining sector is starting to bear fruit.



Deputy president, Cyril Ramaphosa

“Like several sectors of the economy, mining still remains a priority sector. We believe that the sector retains great potential to create jobs and to contribute to our national wealth.

“The plans that are in place for mining are beginning to bear fruit. Mining production increased to 4.6% year-on-year in February this year. Statistics South Africa recently reported that, compared to previous years, job losses in the mining sector have slowed down substantially in the last quarter of 2016.

“[The] 2017 employment numbers show that the mining sector is thus far making a positive contribution,” he said, in reply to a question from ANC MP Joanmariae Fubbs, who asked if government's initiative in the mining sector to engage in dialogue would achieve the objective of saving jobs.

Collaboration

The deputy president said as a demonstration of working together, government convened the mining industry stakeholder meeting in 2015 in the collaborative Operation Phakisa project which in itself is showing positive results.

“To substantially raise employment, we need to have more inclusive growth. We need to change also the structure of our economy and demonstrate that if we have start-ups and new entrants in our economy, we should be able to stimulate competition and therefore growth.

“We need more regional growth and better integration to grow our value chains. We need to work with all social partners to rebuild confidence and to stabilise our state-owned enterprises.

“These expectations are matched by our daily actions to reignite growth such as they are doing in Invest South Africa.

“Reducing red tape and the cost associated with starting new businesses is beginning to work. In unlocking our Oceans Economy, Operation Phakisa has unlocked investments estimated at R24.6 billion, with government contributing R15 billion to this,” he said.

Out of a technical recession

Meanwhile, Ramaphosa said the announcement that the economy is slipping out of a recession comes as good news.

He, however, cautioned against celebrating as more still needed to be done to stimulate growth.

“Yesterday we received rather positive news that South Africa is out of a technical recession. Many have seen multilateral organisations like the IMF, World Bank and the G20, and indeed many others that are part of the OECD, have been seeking to find answers on reforms in order to reverse a global lack of growth and inequality.

“Many countries are having to deal with their own challenges of growth. Therefore the news from our own statistician general that our GDP had risen to 2.5% in the quarter was very encouraging indeed.

“But this is not a time to celebrate yet for the task before us remains huge. We are far behind our NDP target of 5% growth per annum. The triple challenge of unemployment, poverty and unemployment remains. Our young people continue to be at the epicentre of the unemployment challenge and poverty continues to rise,” he said.

For more, visit: <https://www.bizcommunity.com>