

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 2622 [NW3234E]

DATE OF PUBLICATION: 21 SEPTEMBER 2012

2622. Mr N J J van R Koornhof (Cope) to ask the Minister of Finance:

Whether the National Treasury has calculated the effects of the Lonmin strike and other mining strikes on the overall gross domestic product for the current financial year; if not, why not; if so, what are the relevant details?

NW3234E

REPLY:

Yes, the National Treasury has calculated the economic cost of the mining sector stoppages on the South African economy.

- Total rand value of production lost in gold and platinum was R10.1billion(bn); Coal R180million.
- Little indication to what extent these losses will be recouped during the rest of the year.
- Mining stoppages have subtracted 50 basis points from GDP growth in 2012.
- GDP growth would have been 3% instead of the 2.5% we are currently forecasting.
- Export revenues projected to be about R12.5bn lower in 2012. Note that export losses exceed direct losses as mining has strong linkages with other sectors of the economy, which are also negatively affected.
- Amongst the sectors most affected are: Fabricated Metal Products, Machinery and Equipment, Rubber and Basic Iron and Steel.
- Intensification and protraction of mining activities can lead to large negative impacts on growth and employment.