



ANC Youth League president Julius Malema says the ANC will hold seminars to discuss the nationalisation of mines. || PHOTO: WERNER BEUKES / SAPA

# ANC will talk mining

## Nationalisation debate on policy forum's agenda

ANDILE NTINGI  
antingi@citypress.co.za

Julius Malema has overcome his first huddle towards making mine nationalisation part of the country's economic policy by making sure it is part of the ANC policy conference in September.

If he succeeds to convince the mid-term policy reviewing conference, the government may be forced to change its stance on nationalisation and start a process to achieve it.

Malema, the president of the ANC Youth League (ANCYL), said on Friday that the ruling party would hold seminars to discuss the matter ahead of its National General Council meeting in Durban, where ANC policies would come under members' scrutiny.

Malema said: "The debate is still going on. The ANC is going to conduct seminars that will debate the matter. It is no longer an ANCYL issue; it is an ANC issue. We will be participating in these seminars as one of the structures within the ANC."

ANC spokesperson Jackson Mthembu said the party would hold discussions in its regions and branches to discuss economic policy.

"There will be serious round-table documents that will look at our approach to the economy, including the nationalisation of mines."

In its discussion document on the nationalisation of mines, the ANCYL is calling for the establishment of a state-owned mining company that can be used as a springboard to nationalise mines.

It argues that South African mining legislation – the Mineral and Petroleum Resources Development Act – must be amended to allow the state-owned mining company to take 60% in new mining operations, with the balance going to private investors.

"The amended act should apply to new mining licences and all those who seek to renew their licences," the document reads.

"In order to have a clear regulatory framework

on this principle, the South African government should place a moratorium on the issuing of licences until the act has been amended."

But the National Union of Mineworkers – an affiliate of Cosatu – wants the state mining company to own 31% of new mining investments and private investors 49%, irrespective of race or gender, while it wants the remaining 20% to be split equally between workers and rural or worker co-operatives.

The union, the biggest organiser in the mining sector, says the company must be used to bolster state revenue, create jobs and drive industrial development through raw material beneficiation.

Indications at this stage are that the state-owned company will be established by consolidating its mining interests through mineral rights and those held mainly through the Industrial Development Corporation and Public Investment Corporation. Between the two institutions, the state has interests in companies such as diamond producer Alexkor, phosphate miner Foskor, iron ore producer Kumba, petrochemicals group Sasol and ferrochrome producer Merafe Resources.

Nchakha Moloi, the chairperson of the South African Mining Development Association, said the organisation was unfazed by the clamour for the state to play a more influential role in the mining industry, including owning mines and investing in exploration.

"The state must be clear why it wants to establish its own mining company. The company must have a clear mandate and business plan. It must also compete on a fair basis with private firms.

"It will not be fair on private investors to spend R200 million on exploration, only for the state to come in to take 51% in the project. If the state wants a bigger share in mining projects, it must be prepared to invest in exploration."