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June 20th 2011

MEDIA STATEMENT

IMMEDIATE RELEASE

BUSA CALLS FOR LEADERSHIP ON THE NATIONALISATION DEBATE

BUSA has noted repeated assurances by President Jacob Zuma that nationalisation is neither a policy of the government, nor that of the ruling party. However, both government and business must now show much greater leadership and will to bring certainty to this issue as quickly as possible. It is inconsistent to be trying to create partnerships to implement a New Growth Path aimed at growing the economy at 6% per annum and creating 5 million new jobs in the midst of growing uncertainty. It is not conducive to the promotion of investor confidence.

The current tone of the public debate around the nationalisation of land, banks and the mining industry weakens South Africa's ability to attract the direct investment - both local and foreign - which is required to grow South Africa's economy. This is because the track record of nationalisation globally, irrespective of sector, has been very poor in terms of its ability to sustainably boost employment creation, build globally competitive industries and contribute to internationally competitive economies.

Domestic and international investors have been discouraged, as was experienced particularly during the Mining Industry and





Employment Task Team's tour of US and Canada earlier this year. The message is clear: if South Africa is to attract the foreign direct investment as well as the local investment we need to help create jobs sustainably, then all stakeholders have to sensibly manage public discourse, if the predictability and certainty needed for investment decisions are to be maintained.

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