

BLSA lauds confidence-boosting cabinet reshuffle

BUSINESS Leadership South Africa (BLSA) welcomes the changes to the national executive announced on Monday night by President Cyril Ramaphosa, especially the new political leadership of the National Treasury.

This long-awaited cabinet reshuffle is an important step in boosting confidence in the economy to restore growth and create jobs to attend to the challenges of poverty, inequality and unemployment, especially among the youth.

We now urge the president to speed up the process of reviewing the size and configuration of his

cabinet and national departments so as to demonstrate his commitment to urgently needed austerity measures.

The BLSA applauds the return of Nhlanhla Nene as finance minister, as a familiar face and steady hand who will give investor confidence to our economy.

This will allow him to continue the work he was performing in the role before his inexplicable, abrupt removal in December 2015.

The BLSA also welcomes the re-appointment of Pravin Gordhan as political head of public enterprises. State-owned enterprises have be-

come an albatross around the neck of our fiscus. His appointment will strengthen the government's hand in dealing with state capture and corruption and, most importantly, it will facilitate the efforts to address the governance, leadership and capital structures of the SOEs.

The BLSA also commends the president for swiftly removing the ministers implicated in serious allegations of state capture and other forms of wrongdoing.

These include Mosebenzi Zwane (mineral resources), Des van Rooyen (co-operative governance and traditional affairs), Lynne

Brown (public enterprises), Faith Muthambi (public administration), Nathi Nhleko (public works) and Bongani Bongo (state security).

Although he has no direct experience in government, Gwede Mantashe has an intimate knowledge of the mining sector and is an astute negotiator – two attributes that are critical to resolving the impasse around the formulation of the mining charter. We hope his appointment will help position the industry to take advantage of the next upswing in commodity prices.

The BLSA notes that some ministers who face allegations of wrong-

doing and serious mismanagement have been moved to other positions, supposedly to unite the ruling party.

We believe the bulk of the appointments are justified and will help the president to make good on the ambitious but achievable plans announced in his State of the Nation Address. In the BLSA, the new administration will find a willing, capable partner in the project to pull our economy back from the brink.

In due course, we will be making proposals on an emergency recovery plan to the new administration.

BONANG MOHALE
BLSA CEO.