

Busa president wants business to play a bigger role to boost growth

The newly appointed [Business Unity South Africa](#) (Busa) president Mxolisi Mgojo wants to see the private sector play a significant role in growing the South African economy.

The renowned businessman, in his first interview since he was appointed Busa president last month, told Sunday World there was a need for more business participation in areas where the government was struggling to render services.

Mgojo referred specifically to electricity, water supply and rail services, which are plagued by corruption and maladministration.

He said the aim was to have the private sector crowd in the funding to deal with all the infrastructure development challenges and to stimulate economic growth, adding that the government has been in a tight fiscal position as the economic growth has been slugging.

He shot down critics who have slammed the government for privatising state assets. “A lot of companies are busy shedding jobs because businesses are unable to perform as they should, there is loadshedding; the rail logistics is not working; the companies can’t make the revenues and jobs have to be shed.”

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He said the current reforms were in the best interest of the working class.

Mgojo, who worked for [coal mining company Exxaro](#) for more than 16 years, started off as a general manager for the base metal company in 2006. In 2008, Exxaro, one of the major suppliers of coal to Eskom, appointed Mgojo executive head of carbon operations.

In April 2016, he became the company’s chief executive and retired in July 2022, after more than six years at the helm. While he was Exxaro CEO, he was also the president of the Mineral Council South Africa for four years from May 2017 to May 2021.

He said while he had planned to retire then, he was asked by Martin Kingston, the chair for Business for SA, a platform that Busa used for partnerships between business and government, to address and deal with the Covid-19 pandemic issues.

The same platform is now being used to deal with the electricity, transport and logistics crisis, and the challenges of crime and corruption.

Mgojo was requested to be a CEO-sponsor to lead the national logistics crisis committee, which deals with Transnet, road logistics and structural reforms. He said during his time at Busa, he has been working with the government to deal with these challenges at both operational and reform levels.

The structure, which he leads, collaborates with the Vulindlela team, the government project, and reports to President Cyril Ramaphosa and the cabinet every six to eight weeks.

“There is work that needs to be done at Transnet and we want to ensure that it has the capacity and requisite skills. We also support the government with capacity-building in Operation Vulindlela.”

He said some of their technical experts have been seconded to work with the chief executives of [Transnet Freight Rail and Transnet Port Terminals](#) as well as in procurement and the northern corridor, which deals with coal.

He said Busa was also working on structural reforms, emanating from the National Rail Bill and Private Sector participation framework and Freight Logistics Framework, which were both approved by cabinet in December.

On the National Health Insurance (NHI), he said Busa believes the policy in its current form will not fly.

“It is not that we are against the NHI, I think it is actually a good thing. But the way it is implemented we think it is not going to be affordable.

The state has not been good at providing services. Let’s find the right way to ensure that the right skills and right investment are put into place to ensure proper healthcare can be made available to all the people,” he said.

Mgojo said his main goal was to unite businesses to ensure that they play a more meaningful role in addressing challenges faced by the country.

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