President John Mahama has given the assurance that the country's gold industry will survive the current plunging gold prices on the world market. Industry players in the sector have expressed fears of a possible complete shutdown of the industry if the price of gold on the world market continues to fall.

About 4,000 mine workers in the sector are to be retrenched by mining companies because of high operational cost and falling prices of gold on the world market.

The precious metal has dropped by about 25 percent this year alone. It is currently going for 1,290 dollars an ounce and some analysts fear it will continue to drop as low as 1100 dollars by year end.

Speaking at a business meeting hosted by Coca Cola in America, President Mahama said he was hopeful Ghana will survive the crisis. Of course the mining sector is an old one, and it's been one of our key sectors. The economy was doing very well riding on the back of high gold prices recently gold prices have been dropping. But we still believe that the outturn going forward is still good."

Meanwhile, the President says Ghana will reward foreign manufacturing companies who use local products in production, and commended Coca Cola for doing so over the years.

Source: Mining News