

MEDIA RELEASE

9 April 2019

CONFERENCE LINEUP TO ADDRESS CRISIS IN PROPERTY & CONSTRUCTION INDUSTRY

From the collapse of companies such as Group Five and the stagnation of government processes and procurement to intimidation and violence on construction sites as well as the stalemates around inclusionary housing policy, the property development and construction industries are in dire straits.

These are all issues to be tabled at the upcoming Western Cape Property Development Forum's (WCPDF) conference, under the theme: "The Perfect Storm: Investment and Jobs or Bureaucracy and Stagnation".

The conference, which will be held from 16 to 17 May at the Century City Conference Centre, has secured a strong line up of speakers that have committed to attend due to their own concern for the industry.

These include, among others, Cas Coovadia, Managing Director of The Banking Association SA (BASA); Dr George McCarthy, President and CEO of the Lincoln Institute of Land Policy in Cambridge, Massachusetts; and Dr Crispian Olver, author of *How to Steal a City*. Multi award-winning financial journalist, Bruce Whitfield, known as the presenter on both 702's *The Money Show* and Cape Talk's *Taking Stock*, will be the chief MC and facilitator over the two days of the conference.

"When a company like Group Five folds, the knock-on effect right down the line to hundreds of subcontractors who may now also need to close their doors is beyond measurement," says Deon van Zyl, Chairperson of the. "We need to dissect why companies like this are closing and address the multitude of reasons behind the industry's collapse.

"We see government, which is responsible for utilising 80% of the country's construction capacity, neither spending it allocated capital budgets on developing infrastructure, nor making any progress on important policies around challenges such as inclusionary housing.

"As an example, the City of Cape Town underspent its own capital budget by 27% in its last financial year; money that should have been spent on housing and infrastructure via the exact same construction industry that is currently bleeding. The excuse given being that even government cannot get through the plethora of red tape and the audit culture of its own procurement processes. Meanwhile, we are haemorrhaging skills to other industries or even overseas, which may be catastrophic, not to mention that we have hundreds of thousands of semi-skilled construction workers unable to put food on the table."

Van Zyl is heartened, however, by the calibre of speakers that have agreed to delivery talks and facilitate discussion at this year's conference. "For example, Cas Coovadia, MD of BASA, will be speaking on investment confidence from a banker's perspective. Recent discussions that we, as the Forum, have had with members of the banking community has alerted them to the fact that production pipelines are drying up, which will have serious consequences for that industry as well.

"We are also heartened that Wesgro has recognised the serious situation and has both been facilitating these talks and the organisation's CEO, Tim Harris, will also be chairing a panel entitled 'What does the future hold?' at the conference."

Dr Crispian Olver will be talking on "Clean governance and economic growth – a contradiction in terms?" Currently a researcher with the Public Affairs Research Institute, he held various senior positions with South African government, including Director General for the Department of Environmental Affairs and Tourism. His book, How to steal a City, published in 2017, is an account of government's intervention to clean up Nelson Mandela Bay once it was captured and bled dry by a criminal syndicate.

Dr George McCarthy is an international expert on the global dilemma around affordable social housing. Speaking directly to this topic, he will be providing insights around creative approaches to land as a solution to economic, social and environmental challenges.

Other confirmed speakers confirmed Alderman James Vos, MayCo member for Economic Opportunities and Assets Management at the City of Cape Town, as well as John Peters, Chief Director within the Department of Economic Development at Western Cape Government. High level panel discussions will also address procurement procedures within the City of Cape Town as well as industry concerns from within the private sector.

Concludes Van Zyl: "We are collectively so concerned about the impending collapse of our industry, that with this conference we really hope to create the much-needed platform to bring the crisis into the public eye and find solutions by enabling talks and action between government and the industry.

Limited seats are still available - for more information and to register visit: www.sbs.co.za/wcpdf2019/index.php

THIS RELEASE IS ISSUED BY THE WESTERN CAPE PROPERTY DEVELOPMENT FORUM

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For more information regarding the WCPDF Conference in May, please visit: www.sbs.co.za/wcpdf2019