



49% OF CAPE TOWN BUSINESS SAYS DROUGHT IS BECOMING A THREAT TO THEIR SURVIVAL

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Nearly 49% of businesses in Cape Town say the drought and the water crisis has now become a threat to their survival, according to a survey of members conducted by the Cape Chamber.

The survey also found that the crises has caused 23% of responding firms to postpone or halt new investments in their businesses.

It is clear that we have a major crisis on our hands and it is time to slash the red tape and take emergency measures. Unless we do so without delay we will suffer long-term damage to the economy and the reputation of the City.

When South Africa had an AIDS crisis it was treated as an emergency, the rules were changed and this enabled the country to get on top of the epidemic. We have to use the same approach now. Normal bureaucratic procedures were not designed to deal with emergencies.

The survey also asked businesses how they were dealing with the water crisis. Nearly 41 % said that they had reduced their water consumption by 50% or more and 26% said they had reduced consumption by 25%. Nearly 18% said they had reduced consumption by 10%.

65% of businesses said they had made changes or new investments in their businesses to ensure that they used less water in future years and 45% said they had developed long-term plans to make their businesses less dependent on municipal water supplies.

In response to the question: "Do you think the City Council has done enough to prepare for the water shortage," 92.8 % said no.

The problem is bigger than a City Council problem and it's also necessary to acknowledge that they have not been given the necessary help by the National Department of Water and Sanitation.



CAPE CHAMBER

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Comments from businesses indicated that a wide range of firms was already affected by the crisis. Those hit particularly hard were hotels, guest houses, catering firms, restaurants and others who provided services for the tourist industry. Landscaping and gardening services were already shedding jobs.

A variety of manufacturing operations were affected as water was used as an essential item in production and cleaning. "Without water, we close down," said one respondent bluntly.

The respondents also pointed out that there is a huge knock-on effect as cut-backs and closures affect other firms and this destroys jobs.

Janine Myburgh

President of the Cape Chamber

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