

PRESS RELEASE

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CBA PREDICTS BOOM IN BUILDING INDUSTRY WILL CONTINUE

Celebrating its 43 rd AGM recently, The Clay Brick Association (CBA) predicted that the boom being experienced in the building industry will continue for some time yet, in line with world trends.

David Matlou, the new President of the CBA, said, "We have an economy that has gone beyond its four-year cycle. Forecasts indicate that our economy is set for an extended growth rate, and we have no choice but to grow our economy in South Africa."

"I therefore congratulate those members who have either increased capacity or invested in Green Fields projects. Failure to meet the ever-growing market demand for clay bricks would be very damaging for our industry."

Clive Archer, outgoing President, agreed. "Our industry has continued to thrive in what must now be one of the most substantial and effective periods of growth that our wonderful country has ever experienced. Most of our members have experienced excellent trading conditions throughout."

This growth mirrors what is happening globally. Guest speaker at the AGM, John Steele, of JC Steele and Sons, the largest producer of heavy clay manufacturing machinery in the United States, delivered an address on the state of the clay brick industry in the USA. He said, "The USA has been on a building spree for the past 16 years and the market is still strong. Currently the industry produces 8-9 billion bricks a year.

"In 1977 people were predicting that there would not be another green field brick plant in their lifetime. They were wrong. People have been investing heavily for the last ten years in new plants, and our own family has built two new paver plants and two new brick plants in the last eight years."

Clive Archer also focused on the key challenges faced the industry today. He said, "We will be required to adjust to the parameters as set out by government, which are designed to include and uplift all previously disadvantaged citizens of South Africa. We are expected to apply responsible policies to the future running of our businesses. These include the creation of a better working environment, enhanced education and training and equal opportunities. This will ultimately extend our economic base and provide a more balanced environment and better living conditions for all."

The CBA endeavours to support its members with advice wherever possible. Stringent legislation around permitting, licensing, the environment and social responsibility all induce a heavy demand on leadership. Pierre Sanson, Executive Director of the CBA concentrates on legislation management, and is committed to maintaining relationships with the relevant governmental departments so as to keep members informed on all the latest legislation and changing requirements.

Another area of concern is energy management. This issue is crucial to the industry's survival as the cost of energy impacts on operating costs. "If we want to stay brickmakers, we have no choice but to take matters into our own hands. We need to look at process alternatives that will yield good results because a 10% saving in energy is critical," says Archer, emphasising that in South Africa we should seriously contemplate for urgent change.

While finding new markets and developing new products, may be an answer, David Matlou encouraged members to invest in training and people development. "It is only when our employees understand how businesses function, that we will achieve efficiency and growth in our industry. I urge members to investigate measures of ensuring that their employees become stakeholders in their organisations, as a means of guaranteeing long-term success."

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