

ACTION

# Strike causes new rebar supply uncertainties

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By: **Brindaveni Naidoo**

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The South African Reinforced Concrete Engineers Association (Sarcea) said on Friday that its members would be forced to import steel, as the five-day metal and engineering worker's strike has affected local steel output.

Sarcea director **Rod Mountford** said the association's members have been informed that all steel producers other than ArcelorMittal were feeling the impact of the wage-related strike. Mittal, the country's biggest steelmaker, has an in-house agreement.

"The industry would be hard pressed to overcome the loss, even for a short time, of one mill, but to have two of the major producers, Scaw Metals and Cape Gate, out at the same time is impossible to contend with," Mountford warned.

A serious shortage of reinforced steel (rebar) in South Africa was caused by a breakdown at Mittal's main furnace in Newcastle at the beginning of the year, which resulted in a six-week delay in deliveries, and was further exacerbated by the closure of Murray & Roberts' Cape Town Iron & Steel Works late last year.

Mountford told *Engineering News Online* the industry hoped to recover in 2011, but owing to the strike, a recovery seemed only likely in 2012 – provided there were no more setbacks.

He said that Sarcea members which recently imported steel were "fairly comfortable" with stocks, but that more steel would have to be imported.

He said the strike was "forcing the industry to look outside the borders of the country, and therefore away from the South African workforce, for product".

Meanwhile, the Steel Engineering Industries Federation of South Africa (Seifsa) and the National Union of Metal Workers of South Africa (Numsa) would meet on Friday and over the weekend to consider a way forward in solving the wage dispute.

Seifsa reported that it continued to receive detailed reports from its members of acts of lawlessness, intimidation and physical assault of workers who have chosen to ignore the call to strike.

Executive director **David Carson** condemned illegal tactics to gain support and maintain momentum for the strike and the union's leadership appearing to remain silent in its condemnation of the behaviour.

But Numsa called on its members on Friday to resist the temptation to destroy public property or intimidate non-striking workers.

In the same statement, the union also called for the arrest of the owner of a Krugersdorp-based engineering company for shooting at striking protesters outside the company's premises.

"One of the injured workers is in a critical condition at the Leratong Hospital, while the other is in a stable condition," spokesperson **Castro Ngobese** said.

Unions are demanding a 13% wage increase, which employers say is unaffordable.

Edited by: **Mariaan Webb**