

# Load shedding threatens festive retail profit

The cost of load shedding to the South African economy is becoming apparent as whole shopping malls close for hours at a time at the height of the December shopping season.



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Philip Krawitz, executive chairman of Cape Union Mart and five other retail chains with 306 stores throughout the country, told the Cape Chamber of Commerce and Industry that he lost more than 180 hours of peak season shopping in a single day this week.

The supermarket giants and the huge clothing and hardware chains will duplicate this but on a much bigger scale.

“We are absolutely shocked that once again our December trading is going to be plagued by load shedding,” Krawitz said. “We are doing our very best to grow the economy and create jobs for the unemployed. We employ over 3,600 people and operate two factories, a uniform company and 306 stores.”

“We set realistic targets for growth and budget accordingly. Unfortunately, all our plans are torpedoed in the face of rolling blackouts throughout the country.”

He said when the effect was multiplied by the losses to other companies and the number of days on which outages occur, “you will see the South African economy being destroyed before your very eyes.”

Janine Myburgh, president of the Chamber, said Krawitz was just talking about the retail sector of the economy. “What about our manufacturing and service industries?”

She pointed out that even a small portion of turnover lost could have a drastic effect on a business’s profit and kill expansion plans for next year and that could mean new jobs down the drain.

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