

Construction group Calgro M3 scales back work in drought-stricken Cape

By [Mark Allix](#)

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Calgro M3, a listed property developer, says it has significantly scaled down the construction of developments in Cape Town due to the city's water restrictions.



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To avoid the use of municipal water supply, the company had only used borehole water for the past six months.

But as a result of further water reduction proposals by the city amid the risk of running out of water, Calgro M3 has decided to cut its water usage further.

CEO Wikus Lategan said on Tuesday, 4 July, that no jobs would be lost as a result of this.

The company builds large integrated residential developments, rental units and private memorial parks across SA and Namibia.

"This is a responsible reaction by Calgro M3. The people we have working on our sites are important to the company, and cannot be penalised because the Cape is in the grip of a severe drought," Lategan said.

"The drought has reached critical proportions, to the extent that a disaster has been declared," he said.

In the Western Cape there are more than 1,750 Calgro M3 residential units in all market segments already sold, on which construction has been delayed since January 2017 to conserve water.

This represents 25% of the total units under construction across the group.

The start of construction will be delayed on any new units sold.

At present Calgro M3 has 1,600 people working on its two Western Cape developments.

Lategan said the projects had not ground to a complete halt, as certain "dry works" were still being carried out.

"Our estimation is that there will be a three- to four-month delay. Extreme measures will be taken to minimise time already lost should the Western Cape receive sufficient rainfall and water restrictions be lifted," he said.

Source: BDpro

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