

If it's all doom and gloom, why so many cranes on the skyline?

By [Patrick McInerney](#)

4 Jul 2019

This year's SAPOA Convention was probably the most downbeat that I've attended in my many years in the building industry. The majority of speakers gave us bad news - ranging from water scarcity problems through to concerns about the oversupply of property, the industry's talent drain and government's lack of policy certainty.



Image source: www.pixabay.com

I know I wasn't the only attendee to come away disheartened. It's feasible that some negativity was orchestrated to send government a message. But there were probably people who decided to leave South Africa based on what they were told in that conference room.

As I pondered what I'd heard, I realised that all this negativity is ridiculous! Why, I asked myself, if things are so bad do we have a record number of building cranes operating in places such as Sandton, Rosebank and Cape Town? How, if the building industry is on the brink of implosion, as some would have us believe, is it possible to have more cranes working on construction projects than at any time since the 1960s?

I am certainly not one to put my head in the sand as to the problems we're facing as an industry, but I believe we're in danger of creating a self-fulfilling prophecy by ignoring the many positives and talking ourselves into a self-created downturn.

Those hard-working cranes

Part of the reason for the abovementioned cranes is the enormous property boom in the central nodes. Many new A-grade buildings are coming on-stream and being filled by tenants previously in B-grade buildings. So there's now an oversupply of B-grade property and, because of all the new projects, an oversupply of A-grade as well.

But it is part of the natural cycle of the industry and not the harbinger of its imminent doom. Those empty B-grade spaces represent a massive opportunity for the future.

Water scarcity solutions



Patrick McInerney, director, Co-Arc International Architects

The fact that SA effectively ran out of water in 2016 and that around 41% of water is lost due to bad infrastructure is obviously concerning. So too is the reality that obtaining water usage licences for new developments is now far harder than it has ever been.

But the good news is that solving the water scarcity problem has been declared the number one priority for government. Cape Town, after staring down the barrel of its own Day Zero in early 2018, has made tremendous strides in water conservation. Johannesburg recently carried out a major water infrastructure upgrade which, despite howls of protest from the public and media because of the required shutdown of services, is a definite positive.

Going forward, successful building developments will require that water consumption be reduced and, as far as possible, water be reused. The technology already exists to achieve this. At Co-Arc International Architects, for example, a major project we successfully completed in Ghana required that we not only conserve the limited water supply, but reuse and augment it to the point where we achieved a 76% saving in water consumption. The same project had 60% savings in net energy consumption and an embodied energy almost 100% less than average.

Retail not heading for disaster

Much has been made of the consumers' change in buying patterns and the potentially disastrous consequences for retail developments. Certainly shopping habits have changed and online retail is growing rapidly.

Yet the fundamental reality is that people still want to be together and to commune with others. They still want to be seen to be purchasing and to be able to touch, feel and try out products – before perhaps buying online. So bricks-and-mortar retail isn't dying. It will just be different.

Several new developments

The cry that "there are no good new developments in South Africa" is contradicted by top-quality developments such as the Leonardo, a 55-floor mixed-use property development currently under construction in Sandton and which will ultimately be Africa's tallest building. Midrand's Waterfall City, an 800,000m² mixed-use space, is of similar quality.

Both projects are being driven by people who are positive about the country, optimistic about where it can go, and believe in its capacity to lead Africa.

Addressing the skills shortage

Slow economic growth, fewer new projects, cost-cutting and BEE requirements have all contributed to many experienced people – whether trades people or professionals – being lost to the industry via emigration or other factors. As an example, when we started working on The Leonardo there were 12 engineers in the country with high-rise experience. This has reduced significantly as a result of retirement and suitably trained young engineers moving overseas.

We addressed this challenge with a new all-South African team. We worked with one of the last remaining structural engineers with the necessary experience and expertise and trained new people. This pool of talent opens new doors for us as a business and there's surely no reason why other architectural firms cannot do the same.

The above are just some of the solutions to our industry's challenges. But if you add into the equation the fact that South Africans are a hard-working and resilient bunch, then we can challenge the negative thinking that pervades the building industry right now.

Be bold, be positive, think in new ways, look beyond the traditional structures of how we do business ... and we can move forward!

ABOUT THE AUTHOR

Patrick McInerney, director of Co-Arc International Architects

For more, visit: <https://www.bizcommunity.com>