

Eskom's shock tariff proposal sends local businesses reeling

Mia Moorcroft

LOCAL businesses may have to pay the high price of closing shop if faced with the recently proposed electricity price hikes.

Eskom said on Monday it submitted a third multi-year electricity tariff hike application for 16% each year for the next five years to the National Energy Regulator (Nersa), starting April 2013 to end-March 2018.

Once one of the world's lowest-cost electricity producers, Eskom has been granted annual increases of 25% in recent years.

Since 2008, the average selling price for

electricity increased from 19.4c a unit to 50.3c.

However, many local business owners consider Eskom's latest hike to be taking it one step too far.

According to Zululand Chamber of Commerce and Industry (ZCCI) Executive Chamber Manager, Charmayne Pountney, the government's messages on unemployment together with Eskom's high demands make for a contradictory and unrealistic request:

'The Zululand Chamber of Commerce & Industry is irate over the new proposed tariff increase of 16% annually for the next 5

years.

'On one hand, the private sector are being hammered with increases in costs such as electricity, fuel and the pressure of wage demands, coupled with the impact of electricity outages and debilitating industrial action which negatively affect production.

'On the other hand, the private sector is being challenged to create jobs.

'This is a direct contradiction in terms and the cost to business, such as these electricity price hikes will lead to the exact opposite – businesses will downscale or close and employees will join the unemployed ranks.

'The ZCCI will, together with chambers nationally, urge Eskom to 'sharpen their pencil' and invoke necessary cost-cutting measures and more stringent controls where power is being 'stolen', which will result in a more realistic tariff in order that business can afford to create jobs and function productively and sustainably.' According to KZN Provincial Treasuries data, KZN rates second-highest in electricity consumption following Gauteng, suggesting the province stands to experience a significant climb in unemployment should businesses shut doors as a direct result of the proposed tariff increases.

American Sister Cities help local people with water

CROWDS of local people attended the handover of a major water project funded by a US non-profit organisation at the Dube Traditional Authority grounds outside eSikhaleni on Wednesday. 'Schoolchildren will now be able to focus on their schoolwork instead of coming back from school to be faced with the daunting task of fetching water. This is all thanks to Sister Cities International,' said Nonhlanhla Qhoboshiyane,

head at the KZN Department of Co-operative Governance and Traditional Affairs. 'This is a sure way to improve the quality of our people's lives,' she said. The project will benefit about 200 local families, with clean water being piped right into their yards. May Kane, CEO of the Milwaukee Sister Cities International, which has spearheaded the project, said, 'This organisation was started in 1956 by the then

president of America and it grew until it had about 600 member cities worldwide for global connections in addressing world problems, and today we are proud to call ourselves Sisters with the City of uMhlathuze.' US Consul General Taylor Ruggles thanked Magugu Davis, Principal Chairperson of US Sister Cities International, and her husband Sir Joe Davis for bringing him on board this programme.



American delegates and City of uMhlathuze officials at the water project handover held at the Dube Traditional Authority grounds outside eSikhaleni were: members of the ANC US Centenary Committee Stan Willis and Vicky Casanova, uMhlathuze Deputy Mayor Vera Gumbi, uThungulu Deputy Mayor Thulani Mashaba, Principal Chairperson of US Sister Cities International Magugu Davis, uMhlathuze Municipality Executive Committee member Louis Fourie (behind Davis), President of Sister Cities International Mary Kane, uMhlathuze Mayor EF Mbatha, Chairman of Sister Cities Committee Sir Joe Davis and US Consul General Taylor Ruggles

ADVERTORIAL

CELEBRATING BUSINESS & SERVICE EXCELLENCE

The Zululand Chamber of Commerce & Industry Annual Business Excellence Awards takes place on the 15th November 2012 and, once again, a record number of nominations have been received. This year, the Umfolozi Casino, Resort and Conference Centre will be the stage for this, the most prestigious business event in Zululand.

Nominations
Contested over 12 categories

which evaluate both business and service excellence, the event provides a platform for Private, Public and the Civil Society to showcase the work being done in the uThungulu, Zululand and uMkhanyakude Districts. Entities are not expected to box above their weight as the business categories provide for Emerging, Small, Medium and Corporate businesses to be judged separately.

Tourism Award
This year, the Tourism sector has the opportunity to compete for the newly added Tourism Award. The Chamber is active in an area which has an abundant Tourism offering and the jewel in the Tourism crown of KwaZulu-Natal. The Award will highlight product owners / service providers to the industry, including Tour operators, Accommodation, Guides and Destinations. Despite this being the first

Business Excellence Award of its kind, nominations across all focus areas have been received.

Event Guest Speaker
The newly elected President of the South African Chamber of Commerce & Industry, Clive Manci is the guest of honour for the evening. Immediate Past President of the Durban Chamber, Clive cuts a dapper figure on the podium, the youngest President of both the

Durban and South African Chambers. His academic record includes qualifications from Harvard and London School of Business and his successful business career and professional engagement have elucidated his leadership abilities. Clive is vociferous regarding the need for business to unite which will echo in his presentation at the event.

Corporate tables
Corporate tables, which

provide marketing opportunities for local businesses and organisations, are available at R5000 per table (10 people).

Tickets
A limited number of tickets are available. The cost of the tickets for members has been reduced to R345pp and non-members are R375 pp. Booking is essential, please see the ad below.

ADVERTORIAL

Zululand Chamber of Commerce & Industry
2012 Business Excellence Awards

Zululand Chamber of Commerce & Industry
Annual Business Excellence Awards

GUEST SPEAKER
Clive Manci
President : SACCI
Vice-President : Business Unity South Africa (BUSA)
Former President : Durban Chamber of Commerce & Industry
Former Chairman : Enterprise iLembe

Clive Manci, the newly elected President of the South African Chamber of Commerce & Industry and Immediate Past President of the Durban Chamber is a dynamic young businessman, highly qualified with qualifications from Harvard and the London School of Business. Through his extensive experience in developing and growing successful business ventures, his intrinsic awareness of the challenges of operating in the private sector are addressed through his refreshing approach & valuable insight.

Time : 18H00 Date : 15th November 2012
Venue : Umfolozi Hotel Casino & Convention Centre, Empangeni
Dress Code : Formal
Table Wine & Fruit Juice provided : Cash Bar

Ticket Prices : R345 p/p Members R375 p/p Non Members
Contact : Monique Grobler on 0357971800 or moniquec@zcci.co.za

Logos: ZULULAND CHAMBER OF COMMERCE AND INDUSTRY, UMFOLOZI HOTEL CASINO CONVENTION RESORT, UTHUNGULU, MHLATHUZE WATER & SANITARY, Events By Design, FOSKOR, seda SMALL ENTERPRISE DEVELOPMENT AGENCY, OLD MUTUAL, MGE, TRONOX, TRANSNET, METRO GROUP, FNB First National Bank