

Reports of 'shortages of rebar from mills'

MARK ALLIX

Industrial Correspondent

IN "ANOTHER setback for the rebar industry", the South African Reinforced Concrete Engineers Association (Sarcea) yesterday said it received information of potential shortages in steel reinforcing bar used in construction.

It said despite a continuing lack of work in SA's construction industry, members are stating some shortages "are starting to appear in the availability of rebar from the mills".

Sarcea says the shortages have started causing unreliable deliveries to construction sites and this could signal escalating shortages in the first quarter of next year.

"From that it can be anticipated that price increases will be forthcoming," the association said in a statement yesterday. "Word has it that there is a shortage of scrap metal, which is the base material used by two of the three major manufacturers," it said.

Sarcea said "the other" major producer had problems with its plant, and had indicated it would be closing down production facilities for planned and "necessary" maintenance in December.

Sarcea director Rod Mountford yesterday identified the "other" company as ArcelorMittal SA. "We are not able to tell whether the planned maintenance period will have to be extended to make good any other necessary repairs," he said.

Yesterday, spokesman Themba Hlengani said "to date" ArcelorMittal SA had no problem supplying its "traditional and some non-regular customers who placed orders with us".

"We have enough rebar stock to supply orders placed with us in November and December. Therefore our customers are currently not experiencing any shortage, neither do we foresee that situation in the short to medium term." He did not indicate whether the company had production problems, nor which plant might be affected.

allixm@bdfm.co.za