



**Institute for Timber Construction**  
Association Incorporated under Section 21 of Companies Act

reg no 1972/009631/08  
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**TO: All ITC-SA Members**

### **National Communiqué No 016**

Dear All,

Yes, it is again that time of the year where the holiday spirit kicks in and when we will be able to spend quality time with our loved ones to try and make up for the days and hours we spent away on company business. Before we run off to our holiday destinations, allow me to spend some time with you on two important aspects of life being:

1. Fact
2. Truth

In terms of “fact” we can confirm the following:

The positive predictions for economical stability and growth albeit slow in 2012, had a harsh awakening with the labour unrest at the mines and which have impacted heavily on the economy as a whole. Where we wanted to see, and even expected upward adjustments in our economic indicators, we saw quite the contrary happening, which have affected business and consumer alike.

In November, the Reserve Bank’s Monetary Policy Committee (MPC) left the repo rate unchanged at 5,0%, confirming that the growth outlook has deteriorated while risks to inflation have risen since their last meeting. It was confirmed that the global economic trajectory continues to pose a risk to the domestic economy and that the global environment remains unfavorable.

Also, the Reserve Bank’s Gross Domestic Product (GDP) growth forecasts have been revised slightly downwards, with annual economic growth projected at 2,5% (previously 2,6%) in 2012, 2,9% (previously 3,4%) in 2013 and 3,6% (previously 3,8%) in 2014. Ms Gill Marcus, the Governor of the Reserve Bank stressed that risks to these projections are to the downside, with risks posed by both global and domestic factors.

In the financial sector, the Bank’s inflation projections have worsened, mainly on the back of heightened food price inflation, the rand’s weakness and pressures posed by high wage settlements. The Consumer Price Index (CPI) is projected to average 5,6% (previously 5,3%) in the final quarter of 2012 before peaking at 5,7% in the first quarter of 2013. Inflation is expected to average 5,6% for 2012 as a whole before dropping moderately to 5,5% (previously 5,2%) and 5,0% (unchanged) in 2013 and 2014, respectively.

In terms of truth we are assured by the following:

Irrespective of how gloomy the economical situation may have been or is currently, we have survived yet another year. We overcame, and have been able to provide for our loved ones. We have met all challenges; business and personal; that posed themselves, and has grown in person and in stature - we have yet again proven the strength and versatility that people have come to know us for.

**Directors:**

L.J. Cotton (Chairman)  
E. Piyackis\* (Deputy Chairman)  
F.C. Wagenaar (Executive Officer)  
R.C. Adams, N.A. Lawrence, S. Auret  
P. de Villiers, C.D. Hobson, E.P. Curry  
M.G. Ferreirinha, W.J. Slabbert, K.L. Leokana  
\*Greek

We have done this together and by the grace that we have received. We anchored ourselves on the Rock Of Salvation and God has provided, and we shall remain eternally grateful. We at the ITC-SA, shall remain grateful for every single person that we interacted with this year and who made a difference in our lives and who helped us to grow the Institute.

From the ITC-SA Team, I want to wish you a wonderful festive break and a prosperous new year!

Best Regards

*Fred Wagenaar*

**Executive Officer (ITC-SA)**