

# COMPANIES

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CIVIL LITIGATION STILL POSSIBLE

## Construction summit may clear up future

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The fate of some of the 15 construction companies collectively fined R146bn in 2013 in a fast-track settlement process by the Competition Commission over alleged bid rigging may become clearer during an industry summit to be held within the next four months, says Economic Development Minister Ebrahim Patel.

A further voluntary settlement on transformation in the industry had now been reached between the government and seven JSE-listed groups, Patel said in Pretoria last week. In this regard, the South African National Roads Agency (Sanral) has said it would not press multimillion rand suits against these companies.

But Patel also said that when it came to other possible litigation, the firms would have to answer for themselves. The City of Cape Town on Friday confirmed its R429m civil damages claim would go ahead against Wilson Bayr Holmes Oycon (WBHO), Stefanutti Stocks and

### MANY QUESTIONS UNANSWERED FTSE-JSE CONSTRUCTION AND MATERIAL INDEX Share price daily close (cents)



#### FRIDAY'S INFO

Close	R23.5
% move	0.34%
High	R23.75

Graphic: DOBOTHY XCOSS Pretoria: SUNDAY TIMES Source: BLS

Averting for collusion in the construction of the city's stadium for the 2010 Soccer World Cup.

"The matter was heard ... we have since been awaiting judgment," Pierrine Leukes, spokeswoman for mayor Patricia de Lille, said.

"Our attorneys approached the deputy judge president of the North Gauteng High Court to appoint a case manager to oversee the matter.

"A judge was appointed to ensure that interim issues currently being used to stall the

process will be expedited," Leukes said.

Nine of the others fined a collective R146bn still face possible civil litigation. Apart from Esor-frank, now called Esor, the rest are unlisted companies. Construction and engineering firm

Group Five denied all claims in terms of the earlier fast-track settlement agreement with the construction industry. It has since said that Sanral had dropped all claims against it.

The government-mandated Construction Industry Development Board (CIDB) said on Friday that Group Five, Murray & Roberts, WBHO, Stefanutti Stocks, Raubex, Basil Read and Averig had reached settlement with the government. The CIDB had served charges for contravention of its code of conduct on all 15 contractors fined R146bn in March 2015 following its own investigation into the construction industry.

Koiti Molise, communications manager of the CIDB, said the body was amenable to entering settlement discussions with the other companies and would afford them an opportunity to consider their positions.

"These other companies have not, as yet, been charged. In the event that they do not wish to settle, they will be dealt with in line with the provisions of the CIDB regulatory framework."

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