

Strikes affect ATM withdrawals

Strikes in the mining and transport sectors resulted in less cash being withdrawn from ATMs, according to figures released on Thursday.

Spark ATM Systems, which installs and maintains these machines, says there was a significant decline in average automated teller machine (ATM) withdrawals during October.

Director Marc Sternberg said the latest Spark cash index figures showed that those provinces that experienced labour turmoil in platinum and gold mining had recorded a significant decline.

"The North West, Free State, and to a lesser extent Limpopo and Mpumalanga, all recorded month-on-month drops in cash withdrawal values of between two and five percent.

"Limpopo and Mpumalanga also act as labour feeds for mineworkers in the platinum and gold sectors and, as many miners did not receive salaries, there was a decline in the value of cash withdrawals," Sternberg said.

He said the transport sector strike affected cash withdrawal activity along the country's main transport routes, as truck drivers did not draw money and payments for truckloads were not completed.

He says the trend could possibly be reversed in November and December.

"With the majority of the strikes over and many workers receiving higher salaries, we expect spending to increase and this implies that the cash withdrawals will rise over the next two months," Sternberg said.

Ronel Oberholzer, an economist at IHS Global Insights, said increased petrol and food prices could increase ATM withdrawals.

"Food is more expensive over the festive season, which should lead to an increase in cash withdrawals over the coming two months," said Oberholzer.

Source: *Sapa* via I-Net Bridge