

MARKETSJSE 109398.05 ↑0.98%USD/ZAR 16.80 ↑-0.18%GBP/ZAR 22.38 ↑-0.13%EUR/ZAR 19.13 ↑-0.05%Gold 4052.60 ↑0.01%Oil 98.69 ↓-0.18%
DATA



BUSINESSTECH

Enter your email

Subscribe

≡ BANKING BUSINESS FINANCE ENERGY MOTORING INDUSTRY NEWS PROPERTY TRENDING WEALTH COMPANY HUB Q

GOVERNMENT

Malcolm Libera

20 Feb 2025



 Add as a preferred source on Google

 FOLLOW ON Google News

South Africa's most important city collapsing in front of everyone's eyes



Johannesburg, South Africa's economic hub, is falling apart. The state of the road, electricity, and water infrastructure is showing clear signs of collapse.

As the country's largest city and primary economic hub, Johannesburg is home to over 5.5 million people and contributes nearly 16% of South Africa's GDP.

POLL

The City is home to the headquarters of major corporations and the Johannesburg Stock Exchange (JSE) and is a crucial centre for commerce, finance, and industry.

However, despite its importance, the city is crumbling due to mismanagement, corruption, and failing infrastructure.

Experts and city officials, including Johannesburg's mayor, Dada Morero, and Professor Mark Swilling of Stellenbosch University, have warned that the city is in deep financial distress.

Poor governance, incompetence, and unchecked corruption have drained public resources, leaving the city unable to maintain its most basic infrastructure.

The city's roads are deteriorating, power outages are frequent, and water shortages are becoming commonplace.

The financial mismanagement and corruption that underpin these issues have left Johannesburg in a precarious position.

Its deteriorating infrastructure is rooted in a deeper financial crisis. In January 2025, the Auditor-General's office cited fruitless and wasteful expenditures exceeding R1 billion.

Mayor Dada Morero has admitted that the City's expenditures currently exceed its income, with a revenue collection rate that has dropped to 86%. This caused a growing budget deficit.

Professor Mark Swilling of Stellenbosch University has highlighted entrenched corruption, particularly within Gauteng's Department of Health, as a key contributor to the province's financial instability.

He described the department as controlled by a "syndicate" deeply embedded in state structures, draining public coffers.

Finance leaders have proposed strategies to stabilise Johannesburg's finances, including improved tax collection and investment initiatives.

However, experts warn that these efforts will not be enough to prevent a full-scale collapse without addressing corruption, mismanagement, and infrastructure decay.

What is your work situation at present?

- ☐ Working from home full time
- ☐ Working from home and the office (Hybrid model)
- ☐ Working from the office full time

Vote

View results

NEWSLETTER

Enter your email

Subscribe

BUSINESS TALK

The effects of this crisis are most evident in three critical areas: road infrastructure, electricity supply, and water provision.

Road infrastructure crisis



Johannesburg's road infrastructure is deteriorating rapidly. The city has 902 bridges, and less than 6% are in good condition.

An estimated R16 billion is needed to restore the crumbling road network, but funding constraints have led to severe neglect.

The Johannesburg Roads Agency (JRA) reports that 78% of bridges are classified as poor or very poor, with 20 on the verge of closure.

The lack of recent assessments exacerbates the problem, as financial limitations have prevented crucial safety inspections.

Potholes have also become a common feature of Johannesburg's roads, with some areas suffering from complete road degradation.

The repair costs are mounting, and residents have had to take matters into their own hands, using makeshift solutions to fill holes.

Rampant vandalism and theft compound the problem. Criminal syndicates strip copper wiring, batteries, and solar panels from traffic lights, causing long-term failures.

JRA's acting head of mobility and freight, Sipho Nhlapo, said that addressing this crisis requires more than just funding.

He called for stricter law enforcement to curb theft and



Robert Koen on Amazon Prime, Prime Day and South Africa's e-commerce future



Louis van Huyssteen on preparing technicians for hybrid and EV vehicles



Stanley Broun on selling your business, tax planning and preserving wealth

vandalism, improved public-private partnerships for maintenance projects, and technological advancements to enhance road monitoring.

A failing electricity supply



Johannesburg's energy crisis is also at critical levels. City Power, the municipal electricity provider, is overwhelmed by theft, vandalism, and ageing infrastructure.

Spokesperson Isaac Mangena reported that, as of January 2025, over 800 outage reports had been logged in just two weeks, highlighting the severity of the crisis.

The City's electricity grid is also fragile due to decades of inadequate investment. A backlog of R170 billion exists for maintenance and upgrades, leading to frequent breakdowns.

Rainstorms and power restorations after load shedding often cause further failures, as the weakened grid cannot handle the sudden surges.

The on-again, off-again nature of power cuts accelerates infrastructure deterioration, while criminals exploit blackouts to steal transformers and cabling.

Some areas have endured power outages lasting weeks due to severe vandalism, pushing businesses and households to seek alternative power sources like generators and solar energy.

City Power is battling to keep up with the problem. The utility has said repeated thefts undermine efforts to replace stolen infrastructure.

Additionally, informal connections and illegal electricity use

TRENDING NOW

further strain the grid, reducing supply to paying customers.

Without an overhaul of Johannesburg's power network, including increased investment in secure energy infrastructure and a crackdown on electricity theft, the city's economy will continue to suffer.

Businesses reliant on stable electricity supply are struggling to operate, and the rising costs of alternative power solutions are placing additional burdens on residents.

Another problem is debt. Last year, Eskom said City Power owed it R4.9 billion in historic debt and R1.4 billion in its current account.

Collapsing water supply system



Photo: Seth Thorne

Johannesburg's water infrastructure is also on the brink of collapse. Joburg Water CEO Ntshavheni Mukwevho has raised concerns over a R27 billion backlog for infrastructure renewal.

Ageing pipelines, treatment plants, and increasing water losses from leaks and theft have created an unsustainable situation.

Johannesburg Water has highlighted that more than 60% of Johannesburg's water network has exceeded its designed lifespan, leading to frequent pipe bursts and supply disruptions.

Water shortages are becoming common, with some communities experiencing dry taps for days at a time.

Unauthorised water connections and illegal tampering with infrastructure exacerbate the problem, reducing supply to

BUSINESS

End of an era for Dis-Chem's billionaire founder

LIFESTYLE

The 5 best-run municipalities in South Africa – and how much it costs to live in them

BUSINESS

One of South Africa's biggest employers worth R1 trillion under investigation

GOVERNMENT

New employment equity rules for businesses employing more than 50 people in South Africa

BUSINESS

Pick n Pay chairman gets a new job

GOVERNMENT

Cape Town's unlawful rubbish and water charges on homeowners

GOVERNMENT

Ramaphosa responds to impeachment ruling

GOVERNMENT

R160 billion state fund issues warning to pensioners and beneficiaries

paying consumers and increasing non-revenue water losses.

The City also highlighted the extent to which vandalism further cripples Johannesburg's ability to provide a stable water supply.

In the past year alone, Johannesburg Water noted that criminals have stolen 1,100 water meters (costing R2.1 million), 3,450 manhole covers (costing R3.6 million), and 3,000 valves and hydrants (costing R5.8 million).

Additionally, Johannesburg Water has had to clear nearly 25,000 sewer blockages at an estimated cost of R38.6 million.

Load shedding has worsened matters by disrupting the operation of water pumping stations, leading to inconsistent water pressure and supply failures.

Many reservoirs struggle to recover after prolonged power cuts, leaving entire neighbourhoods without water for extended periods.

Professor Richard Meissner from UNISA has emphasised that the water crisis is a matter of failing infrastructure and a consequence of poor management and planning.

He argues that more skilled personnel, improved water conservation efforts, and better enforcement against illegal connections are needed to prevent Johannesburg's water system from total collapse.

Joburg's decay in pictures

The "Jozi vs Jozi" [X page](#), started by a concerned resident, documents this decline and aims to raise awareness of the city's state of decay.

The page's founder believes Johannesburg's issues have escalated beyond local governance and require national intervention to address systemic problems.



Lily Avenue, Johannesburg. 2010 vs 2023.



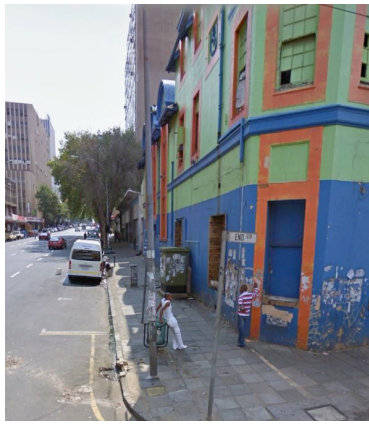
Goldreich Street, Johannesburg. 2010 vs 2023.



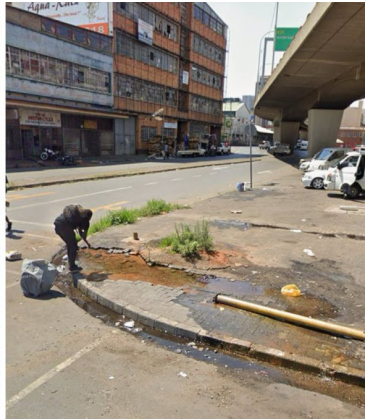
Booyens Station. 2009 vs 2023.



Inner City Park, Johannesburg. 2010 vs 2023.



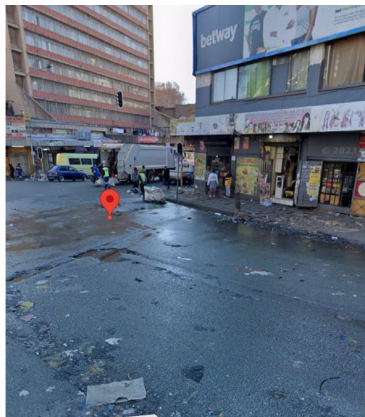
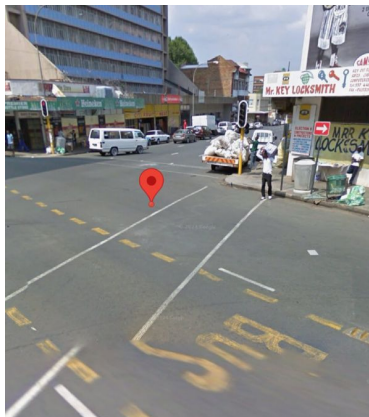
90 End Street. 2010 vs 2024.



12 months on Meikle Street, Johannesburg. 2022 vs 2023.



Albertina Sisulu Road. Johannesburg. 2009 vs 2024.



Mooi Street, Johannesburg. 2010 vs 2023.



1 John Street, Selby, Johannesburg. 2009 vs 2023.



Pretoria Street, Johannesburg CBD. 2010 2023.

Enter your email

Subscribe

Show comments

MUST READ



BUSINESS · 5h

The man making R294,900 a day running the biggest beer company in South Africa



ENERGY · 6h

The province in South Africa with the worst air pollution – killing 16,000 per year



LIFESTYLE · 8h

The luxury hotel in South Africa ranked as the best in the world



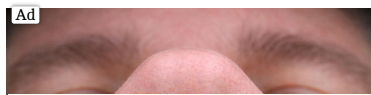
FINANCE · 9h

Double-tax for wealthy foreigners in South Africa



MOTORING · 11h

The most dangerous time of day to be on South Africa's roads



INDUSTRY NEWS



PARTNER CONTENT

Codehesion –
South Africa’s top
software
development
specialists



PARTNER CONTENT

BusinessTech
reviews – Build
trust in your
products



PARTNER CONTENT

The Origin way:
inside Gary
Shayne’s plan to
build South
Africa’s next
diversified giant



PARTNER CONTENT

Arlo & Co.
Introduces a New
Generation of
Hosted City Living
to Cape Town’s
Historic Heart



PARTNER CONTENT

Data centres: The
power in the
shadows...



PARTNER CONTENT

How Codehesion
has won the 2026
MyBroadband
Award for Best
Software
Development
Company three
years running

MORE NEWS



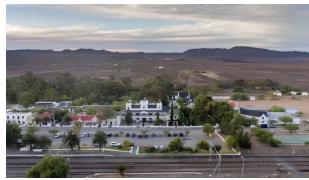
5 THINGS · 14h

Retailer coming after Checkers and Pick n Pay, and big changes for Pork prices in South Africa



LIFESTYLE · 15h

Criminals have a new target in South Africa



TECHNOLOGY · 25 Jul 2026

Tiny South African town vital to the United States where people make an average of R154,000

PROPERTY · 25 Jul 2026

The suburbs where South Africa's young middle class want to live in Pretoria, Cape Town, and Durban – and what they're paying

GOVERNMENT · 25 Jul 2026

Another R4 billion down the drain in South Africa

BUSINESS OPINION · 25 Jul 2026

The one group that can fix South Africa

[5 THINGS](#)[BUDGET SPEECH](#)[ENERGY](#)[HARDWARE](#)[LIFESTYLE](#)[PROPERTY](#)[TRENDING](#)[BANKING](#)[BUSINESS](#)[ENTERPRISE](#)[INDUSTRY NEWS](#)[MEDIA](#)[SOFTWARE](#)[WEALTH](#)[BLACK FRIDAY](#)[BUSINESS OPINION](#)[FINANCE](#)[INTERNET](#)[MOBILE](#)[TECHNOLOGY](#)[BROADBAND](#)[CLOUD AND HOSTING](#)[GOVERNMENT](#)[IT SERVICES](#)[MOTORING](#)[TELECOMMUNICATIONS](#)[ABOUT US](#)[ADVERTISE WITH US](#)[CONTACT](#)[PRIVACY POLICY](#)

BusinessTech proudly displays the “FAIR” stamp of the Press Council of South Africa, indicating our commitment to adhere to the Code of Ethics for Print and online media which prescribes that our reportage is truthful, accurate and fair. Should you wish to lodge a complaint about our news coverage, please lodge a complaint on the Press Council’s website, www.presscouncil.org.za or email the complaint to khanyim@ombudsman.org.za Contact the Press Council on 011

Subscribe to our daily newsletter



Sign up with Google

