

Crime on the move

Armed attacks in rest of the country rocket as crime spreads beyond Gauteng, writes Henriëtte Geldenhuys.

For every small business that closes because of crime, 6-8 jobs are lost

While initiatives to combat business crime in Gauteng are paying off, armed attacks on businesses in other parts of the country have rocketed almost 200%.

The Consumer Goods Council (CGC) - representing manufacturers and the country's biggest retailers - has confirmed that crime shifted to other provinces last year. It put the overall losses due to crime on business in 2007 at a staggering R3.5-billion.

Robbery remains highest in Gauteng, yet the country's economic hub showed a marginal increase of 3% from 2346 cases in 2006 to 2407 in the six months from April to September last year.

The Institute for Security Studies, in a report based on the latest statistics from the South African Police Service (SAPS), showed that business robberies had increased by:

- 169% in the Western Cape;
- 191% in the Free State and Limpopo;
- 150% in the Northern Cape;
- 112% in the Eastern Cape;
- 71% in KwaZulu-Natal and
- 48% in North West.

Michael Broughton, head of safety at the CGC, said, "We've put a lot of effort into Gauteng and now we're seeing that crime is being displaced nationwide. There's been a big migration.

"It's the first time we see such a dramatic shift in terms of geographics."

The president of the Cape Town Regional Chamber of Commerce, Gerald Wolman, added:

"Criminals could be thinking there are too many other gangsters in Gauteng, too much competition in Gauteng, so let's go somewhere else."

Easily crippled

While releasing the crime statistics police pointed out that most business robberies occurred at small to medium-sized factories and at conventional shops in central business districts and suburbs.

Broughton said crimes easily crippled smaller businesses.

"A small business that makes R50 000 profit a month that suddenly loses R30 000 or R80 000 in a robbery, may have to shut its doors.

In Northern KwaZulu-Natal, trade stores are closing down because they've had too many robberies. For every small business that closes because of crime, six to eight people are jobless," he said.

Graham Wright, the deputy chief executive of Business Against Crime, said cash management systems in Gauteng had improved significantly and these were now being implemented in KwaZulu-Natal before being rolled out in the rest of the country.

"We want to do as well elsewhere as what we've done in Gauteng," he said.

Broughton said the amount of cash robbed at retailers dropped by 40% during 2007 compared with 2006.

However, he said, smaller businesses such as petrol stations, jewellery stores and corner cafés were being targeted increasingly.

Much progress is being made in the cash-in-transit sector. "This industry has improved crime information sharing and continues to improve standards of operations and equipment. This, as well as other measures, resulted in a decrease of 23% in 2007 compared with 2006," Wright said.

Arthur Goldstuck, the managing director of marketing research company World Wide Worx, helped conduct a 2007 survey of 5000 small businesses.

Crime the biggest concern

Respondents were asked to choose the most worrying of more than 20 concerns. Crime emerged as the biggest concern by far, with the agriculture, transport and retail sectors most affected.

Goldstuck said small businesses that are often family-owned - for example petrol stations, pool maintenance and repair shops, hardware stores and corner cafés - were a lot more vulnerable to crime than their bigger counterparts were.

"Crime has two major effects. First, a loss of stock and money – reducing their ability to trade and costing a lot of money the business can barely afford to lose," he said.

"In addition, the business owner or manager is often the victim of the crime and this often results in the business closing down or being severely affected at least.

"The knock-on effect is that many people who rely on the owner for their livelihood also stand to lose theirs."

The SAPS said business robbery increased by 29% over the six-month period countrywide to 4438 incidences in 2006 compared to 3433 the previous year.

Dennis Cope, Pick n Pay's group finance director, said: "It's shifted away from the north. It's a horrible thing to say, but that's what happened.

"As illegal immigrants get blocked in the north, they go southwards and to coastal areas for easier pickings."

The company spends between R250-million and R300-million fighting crime a year, while Shoprite Checkers will spend R334-million this year.

Both companies have about 500 stores around the country. Armed robberies at Pick n Pay stores dropped to seven last year from 16 in 2006.

Mossie Myburgh, a security consultant for the SA Petroleum Industry Association of South Africa, said 104 petrol stations around the country suffered armed robberies in December. Of these, 57 were in Gauteng, where the monthly average is around 65.

In KwaZulu-Natal there were 26 such robberies in December - usually the province experiences around seven a month.

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