



Search Member List Calendar Help

Welcome back, Cedric. You last visited: Today, 05:12 PM (User CP — Mod CP — Admin CP — Log Out)
View New Posts | View Today's Posts | Private Messages (Unread 0, Total 4)

Current time: 04-13-2013, 05:41 PM
Open Buddy List

THE CHARTER, IN PROGRESS / SECURITY INDUSTRY; GUARDING INDUSTRY: / LET US TRANSFORM THE SECURITY INDUSTRY; / TRANSFORMATION OF THE SECURITY GUARDING INDUSTRY;

Thread Rating:

NEW REPLY

TRANSFORMATION OF THE SECURITY GUARDING INDUSTRY;

Threaded Mode | Linear Mode

10-30-2012, 08:01 AM (This post was last modified: 11-06-2012 09:32 AM by Cedric.)

Post: #1 |

Cedric
Administrator
★★★★★

C+N 09

Posts: 93
Joined: Oct 2012
Reputation: 2
Warning Level: 0%

**TRANSFORMATION OF THE SECURITY GUARDING INDUSTRY;
Security Industry - Guarding Services:**

I commence the chartering of our Map with a look back over the past twenty-eight years, giving special focus on decisions and actions that influenced the 'Economic Freedom' of our people. As our country reached the fork in the road in 1994, as a 'Security and Cleaning' contractor I approached the new era with trepidation.

Involved in an Industry that was very labour intensive, one requiring very little investment in equipment, the industry was ideally suited to being transferred into the hands of the black SMME's.

How often in my vision I stood where the two roads diverged in 1994, to the left, the road less travelled, not a leaf disturbed, but clearly visible among the trees, were the ten office buildings that I was providing the security services to.

The newspaper placards on the street poles screamed at me,

*GOVT
DECREES
BLACK
SECURITY
INDUSTRY*

Standing outside the main entrances to the buildings stood the senior guards of each building, no longer in our green uniform, but standing proudly, smiling broadly, the junior guards waving and smiling over their new leaders shoulders.

My worst New Democracy fear appeared to me in these visions, I had lost my income to the security guards that were in my employ.

The power of our Western culture to protect everyone from the unknown, resulted in us not traveling down the "road less traveled", as we entered our New Democracy.

From the late 1980's to 1994, the Labour Legislation and the Regulatory authorities were already making it uncomfortable for South Africans to employ staff on a permanent basis. Initially the small business operator used the labour broker to avoid the punishment meted out for failure to comply, and today, having increased prices for services, the labour broker system has become part of the elite and government structures, generating huge profits for the providers at increased costs to the user.

I look back at what happened in the Security Industry when we reached the 1994 fork, I was a member of the illustrious Security Officers Interim Board, and my direct involvement in the Board tasked with the transformation of the Industry, this sector is the first can of worms that I open.

I was in the opposition camp to the rest of the Board, as I saw the opportunity to transform the entire industry overnight, provided we as a country stood back and looked at our options, understanding that we have divergent roads through our historical past, and if we weighed the options of what lay along the road less traveled, we could have achieved much of what Nelson Mandela's vision for South Africa is, by now.

Instead our Board, at great expense, performed our duties in the interests of protecting the elite established businesses, under the guise of establishing regulations to protect the people and assets of South Africa, never once discussed the option of whether we should transfer the industry to black SMME's, instead, we choose the road that we have travelled since 1652.

How successful have these regulations been???

I believe very few users of Security will claim that the Regulations have improved security. Costs have rocketed accordingly and if it was not for the Insurance Industry requirements, security services would be one of the first savings that the economic sector would call for.

PROPOSED CHANGES!!!

I challenge you to think back to 1994, if you were an owner of the Office Buildings that I, or another security officer was securing, if you had guidance on how to save your-self money, and Empower our black SMME's, rather than being pressurized into complying with our new regulations, would you not have done it.

You may ask how that could have been achieved. Quite simple, you could have terminated terminate Cedric's contract, and allocate each building to the senior guard that you already had a close relationship with. No, not as an employer/employee, but the security guard as a business operator, a sole-trader. Using the same contract that you signed with Cedric, the same contract that defined the service agreement and responsibilities of both parties, just signing ten contracts with each buildings senior guard.

You paid Cedric R 8000 per guard per month, he paid a labour broker R 5000, the labour broker paid the security Guard R 2500 per month. As owner of the building, you could have paid the new black SMME R 5000 per guard, transferring economic freedom to SMME's, while saving yourself R 3000 per guard per month.

Eighteen years later, how much could this have contributed towards your business sustainability, how much would you have contributed towards empowering the previously disadvantaged SMME's.

In 1999 I was one of the pioneers using Independent Contractors to avoid the regulation and minimum wages that crippled the SMME's.

The Private Security Industry Regulatory Authority has recently released a documents reflecting the minimum costs if you comply with the regulations. (See annexure "b").

click to see link, when finished, close link and you will return:

Today, the use of Independent Contractors has become common practice in the Industry, clearly reflected through any service provider who provides a security guard at less than R 10 268.00 per month. (Excl VAT).

This document is used to encourage the tender authorities to accept the rate in excess of R 10 268, and yet, the Security Operator may not be paying the guard according to the regulations.

I believe that the Free Market allows any person to offer his/her services to a buyer at the rate that they are prepared to earn for the services rendered.

Present regulations would require the company serviced to ensure that the company and guards are actively registered, but I believe that a registered security guard can offer his/her services directly to the company served, just as legally as the labour broker is bale to secure the security guards service.

Just make sure that your main contractor has the agreement with your as the buyer, and that he/she has an independent contractor agreement with his/her sub-contractor. Details available on request.

We have ignored the road less travelled for many years, let us look down the road less travelled, let us start to develop our black economic power through the security industry, noting that we can start employing SMME's immediately and that over time we need to remove the restrictions that protect the elite businesses, rather than the person and assets that the industry should have top of priority

As we recruit one million voices to establish the Economic Freedom Charter, the property developers and investors are critical to the participation in this initiative, while security guards will be recruited to support the process.

*I shall be telling this with a sigh
Somewhere ages and ages hence:
Two roads diverged in a wood, and I --
I took the one less traveled by,*

And that has made all the difference.

Robert Frost

What has the cost implication to the unemployed poverty sector been??

During 1999 when the Security Officers Interim Board was created, the Security industry consisted of 3200 Registered Companies and 350 000 registered officers. Of the 350 000 registered officers, 147 000 were operational, plus 60 000 employed by companies providing their own registration and not required to registered. This status changed following the new regulations.

Adding the 60 000 to the 350 000, there were a total of 410 000 security officers in 1999, of which, 207 000 were employed, and 98% of the total wishing to work, were unemployed.

By 2011, eleven years later, the number of active companies registered increased to 9320.

The registered security officers are 1.9 million, of which 421 534 are active, with 1.48 million or 77.9% of the total wishing to work, unemployed.

A 1999 survey indicated that the labour turnover in the industry is 200%, is this a healthy situation?

Let us first look at the Registration of a new business.

It is illegal for you you advertise your services or quote for any business unless you are registered as a security officer and then as a security business.

Initial Training certificate R 250

In order to Register a business, you need to purchase a manual @ R 150, this is to make sure that you are aware of the compliance that is needed to respect the master.

Then, you pay a non-refundable registration fee of R 2000, you fail, they keep.

Then you pay an non-refundable fee of R 2000 for the inspection of your premises.

Your premises requires to be furnished with;

1: Desk

2: Chair

3: Telephone

4: Fax

5: Lockable filing cabinet, or fixed PC.

Add to this a requirement for a professionally prepared business plan, showing that the business will be able to survive for twelve months, and a lease agreement. Say R 500.

These five items are all required to allow the inspectorate to control your compliance.

R 4 900, plus furniture and fittings, plus rental cost, plus services cost.

Add to this, that the Security Operator needs to pay R 354.17 per month, I think annually in advance, even if you do not succeed in successfully obtaining a contract. = R 4 250 payable in advance.

Assuming that my estimate of 4160 businesses are registered but not operational;

4160 x (250 + 4150 + 500 + 4250) R 9150 = R 38 064 000 (R 38,07 million).

I believe that those operational companies should not be required to pay these amounts, and the increased monthly tariffs, paid in advance, will cause sever pressures on the companies involved.

Then the crux of the system that should frighten the emerging security operator from registering is the "Suretyship" providing for SIRA to recover every cent that you will ever owe them, including any penalties that may be imposed on you for failing to comply with all requirements, yet they still found the money to register.

If we had taken the road less traveled, would we have required our emerging entrepreneurs to need this financial commitment before finding access to the Industry? I ask you to apply your mind to what may happened if;

Two roads diverged in a wood, and I --

I took the one less traveled by,

And that has made all the difference.

Robert Frost

Let us look at the Registration of an individual security officer.

We have 1.9 million security guards registered by SIRA.

Prior to registering the person needs to be suitably trained, assuming a cost of R 250.

$1\,900\,000 \times R\,250 = R\,475\,000\,000.00$ (475 million on training)

This must be a very lucrative business.

But, only 450 000 are operational, thus,

$1\,450\,000 \times R\,250 = R\,362\,500\,000.00$ (362 million) paid in advance in anticipation.

To add to the burden, each registered security guard pays/is debited R 7 per month, arrears for such amount accumulates and it is the onus of the employer to deduct and pay to SIRA.

$1\,450\,000 \times R\,7 = R\,10\,150\,000.00$ (10.15 million) per month, due and payable to SIRA

The Security 'papers' are just one of the many 'papers' that our youth, and not so youthful, invest in, in the hope to find employment.

As we Map our way forward, we will look at whether the regulations of our Private Security Industry has had any positive impact on the reduction of crime in our country.

Could we not have used the R 400 million more productively?

How could we have brought the Security Guards into the industry without imposing financial burden on them when the chances of employment is very little.

Ignoring the financial implication, how is it possible that we, as a country, can boast 1.9 million of our population, vetted, and trained to secure our person and assets, .45 million actively paid to do so, and 1.45 million waiting in the wings, yet our crime statistics have not improved.

Where have we gone wrong?

What would have happened if we selected the road less traveled?

I shall be telling this with a sigh

Somewhere ages and ages hence:

Two roads diverged in a wood, and I --

I took the one less traveled by,

And that has made all the difference.

Robert Frost

SUMMARY:

There is no shortage of entrepreneurs wishing to trade in the one industry that ideally accommodates SMME's.

9320 Actively registered businesses that comply with the stringent registration process.

How many applications were rejected?

I do not have statistics, but I believe the percentage would be very low, almost nil, after-all each Security company must pay R 354.17 per moth, per annum in advance. = R 4 250 p.a.

Why should they be rejected, if they do not comply with the office and business plan, or the telephone line?

Who is going to pay the R 4650 in advance if they did not comply with those restrictive requirements.

All the requirements could be borrowed, and a lease agreement is just another 'papers' that is easily created.

Note: The applicant would already have been vetted and trained before this application has been submitted. As a client considering the services of the security operator concerned, is the office and business plan important to you.

You have the ability to put the business plan into motion if you allocated them the contract.

Annual Income to control the Industry Regulations:

The 9320 actively registered businesses @ R 4250 per annum, = R 39 610 000. (39.6 million)

The 1.9 million individuals @ R 7 per month, = R 84 per annum, = R156 600 000 (156.6 million)

= R 196 210 000 (196.2 million)

Add to this the level of fines?????

In excess of 50 - 70% of these figures are payable by the unemployed.

This industry was built off the 'night-watchman' concept where the building and assets were protected by a night-watchman with a kirrie, and crime levels were possible lower.

Not much has changed, the kirrie has now been replaced by the baton, and we have introduced access control where visitors need to be registered, and in many instances, their hand-luggage scanned.

Why did we not see this when we selected the road less traveled?

*Two roads diverged in a wood, and I --
I took the one less traveled by,
And that has made all the difference.*

Robert Frost

By giving our people the opportunity to achieve Economic Freedom through participation, we will contribute towards the financial ability to increase the numbers employed, and in turn the reduction of crime,

Cedric de la Harpe

IP Address: [Logged](#)



[« Next Oldest](#) | [Next Newest »](#)

Enter Keywords

[Search Thread](#)



Quick Reply

Message

Type your reply to this message here.

- Signature**
- Disable Smilies**
- Close Thread**
- Stick Thread**

[Post Reply](#)

[Preview Post](#)

[View a Printable Version](#)

[Send this Thread to a Friend](#)

[Subscribe to this thread](#)

Inline Post Moderation: [Delete Posts](#) [Go \(0\)](#) [Clear](#)

Moderation Options: [Edit / View Thread Notes](#) [Go](#)

Forum Jump: [-- LET US TRANSFORM THE SECURITY INDUSTRY;](#) [Go](#)

User(s) browsing this thread: [Cedric](#)

[Contact Us](#) | [Economic Freedom Charter](#) | [Return to Top](#) | [Return to Content](#) | [Lite \(Archive\) Mode](#) | [RSS Syndication](#)

[English \(American\)](#)

[Go](#)

Powered By [MyBB](#), © 2002-2013 [MyBB Group](#).

Generated in 0.0736818 seconds (89.53% PHP / 10.47% MySQL)
SQL Queries: 19 / Global Parsing Time: 0.0214019 / Memory Usage: 4.25 MB
PHP version: 5.3.15 / Server Load: 0.25 / GZip Compression: Disabled
[\[advanced details\]](#)