

Construction industry under siege

By  Morag Evans

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Armed gangs are increasingly invading construction sites across the country, harassing workers and threatening violence unless their employment demands are met. Unless contractors take a firm stand against these so-called business forums, also known as the construction mafia, the scourge will only get worse.



Morag Evans, CEO, Databuild

The violence first reared its ugly head in KwaZulu-Natal but soon spread to Gauteng, the Eastern Cape, Mpumalanga and eventually other provinces.

Preferential Procurement Policy Framework Act

The attacks stem from the promulgation in 2017 of new regulations to the Preferential Procurement Policy Framework Act (PPPFA), which stipulate that 30% of all contract value on state construction contracts must be allocated to certain designated groups, including black South Africans, women and people with disabilities.

Even though the regulations specifically refer to government contracts, private sector construction sites have also fallen prey to the violence.

The gangs demand either a 30% stake in the project or 30% of the total contract value in cash as “protection” against further violent disruptions and work stoppages. Recently, they have begun targeting shopping centres with demands to be employed as tellers or refuse collectors.



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PPPFA regulations misunderstood

Their actions amount to nothing more than extortion and giving in to these thugs only serves to encourage the abuse. The fact is the perpetrators of these site disruptions have misunderstood the PPPFA regulations, which are geared to including designated groups in state contracts on a national level and do not necessarily refer to local communities.

The damage inflicted by these gangs often means that projects are delayed for months, which causes costs to spiral. Additionally, construction insurance policies do not always cover damage or loss in these circumstances. Consequently, many businesses, including black-owned small and medium enterprises, are facing financial ruin.

Law enforcement needs to be more proactive when it comes to the policing of construction sites to ensure the safety of workers and infrastructure and assist contractors in standing up to the gangs. The police cannot work in isolation, however. Contractors have a responsibility to ensure that sites are properly demarcated with access-controlled entry and exit points. Effective safety and emergency measures, which include a communication plan, must be set up and additional security can also be employed, if necessary.



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Politicians creating unrealistic expectations

Furthermore, politicians should refrain from creating unrealistic expectations for employment on construction projects. While the involvement of local contractors is essential, egotistical attempts to win popularity points merely fuel the disruptive attacks when false hopes cannot be met.

There are also legal avenues to follow to mitigate the violence. Leading attorneys have won numerous court interdicts on behalf of construction companies against those inflicting the disruptions and claim significant success in radically minimising delays resulting from violence committed by business forum members.

Harassment, violence and extortion are not the means to achieve transformation in the construction industry. Such actions are criminal in every sense of the word and cause more harm than good.

ABOUT MORAG EVANS

Morag Evans is CEO of Databuild.

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