

## Two-thirds of PNG businesses employ security guards: World Bank

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**Date :** August 20, 2014

A new [World Bank series of policy briefs](#) (summarised [here](#)) sheds light on the high costs of law and order problems for businesses operating in Papua New Guinea.

One of the authors, Alys Willman, [told Radio Australia](#) that it was impossible to know how much investment may have been lost because of the problem and that many businesses see high security costs as a type of 'tax' on their operations.

The research, which includes a survey of 135 businesses, shows that 81% of businesses report that their decisions for further investment or expansion were being adversely affected by the law and order situation in the country, while more than two-thirds of businesses employed private security staff, four times the regional average. Nearly a third of businesses reported spending 10 per cent or more of their operating expenses on security.

The study finds that the average business loses K90,000 in stolen property every year and nearly the same amount from closing early due to threats of violence. Some businesses remained 'low tech' out of fear of having computers or other expensive equipment stolen.

The effect of violence on staff also has costs. The shockwaves from domestic violence affect staff performance, while [attacks on workers travelling to and from](#) the workplace are another hazard. Some businesses reported reluctance in hiring female employees due to their susceptibility to violence.

The report also raises concerns about the prevalence of private security firms creating a displacement of responsibilities from the country's police, potentially weakening the foundations for law and order in the long term.

The report advocates for a multi-sectoral coordinated approach to address the issue, highlighting the need to address underlying drivers of violence and to strengthen formal law and order institutions.