

13/03/2015

Dear Peter Harris and Commissioners

Please take into consideration the following in regards to the creation of a new oversight body.

- National Oversight Inter-mediatory Committee for the Private Security Industry.

## BACKGROUND

The proliferation of crime within society and the security industry itself is increasing on a daily basis.

At the same time, the quality of professional security guards has declined dramatically.

The outcome of such an alarming scenario can only have one outcome, it is not one destined to come into fruition on Australian soil, as it is already here.

With Australia at a heightened alert level for the first time in history, those 'in the-know' already have a grasp but not full understanding of the complexities of this living document we call society and life.

The security industry is on the verge of a boom of growth due to necessity and an ongoing threat level.

It is only a matter of basic maths, which talks louder than words when coming to the clear understanding that, there are not enough Police on the streets. Not enough leaders and soldiers within the DOD. Not enough Protective officers at our Government Buildings and other infrastructure, and certainly not enough Security Officers.

So why treat those within the security sector as third class citizens?

It is an unmatched precedence that without private security officer's participation within the wider industry...Australia would have to raise it's threat level to the highest, which would do little to help protect the Australian way of life without both cooperation from the public and the manpower in place to help prevent crime and enforce policy.

If for example, a small percentage of Australia's Security Officers were to band together refusing to work in the process due to the poor regulatory regime, Australia would be in turmoil.

It's not just a matter of getting a body and putting it in place though admittedly this does still take place within a 24/7 period.

And again, this is just one of the problems we are facing.

They have to be properly trained. Have the clearance. Be properly briefed. Be accountable for their actions...in many cases one's which involve the safety of human life, sometimes in the thousands at a time such as the role of Chief Fire Warden for example.

This is by far the worst-case scenario, yet it is one that is on the verge of reality as time ticks by.

There are several reasons as to why things are so rapidly devolving however; they can be narrowed to three major points:

- 1) A lack of Oversight and accountability within the private security sector (leading to)
- 2) Poor wage structure and a decline in responsible professional attitudes.
- 3) Decreased Training/Career Development/Ongoing evaluation.

But there are many other issues. The proliferation of complacency within Australian society especially where Melbourne is concerned, has led to an exponential rise within white-collar crime.

As a result the common ethos of the 'Australian way of life' has become an insipid backwash filled with a multicultural combination of varied interpretations of the various aspects of the law system.

A question which begs to be asked yet remains unanswered is; why are there several governmental departments that are responsible for finding and weaving-out corruption within the public sector, but nothing of real substantial value, something that has teeth for the private security sector on a national scale?

It is for this basic reason why corruption is still maintained and set to increase at the time when we 'The Australian People' require just the opposite for a free, safe, and properly governed society.

This is the basis for the proposal for the creation of a new oversight regulatory body for the private security sector.

In designing a governing body it is recommended that the following might be taken into consideration:

- Oversight Inter-mediatory Committee
- Powers to Investigate
- Powers to Recommend
- Independent of Government but with Government Powers
- Powers to Stop Operations
- Powers to Freeze Assets. (Recommendations)
- Have the company removed from recognised security authorities such as ASIAL.
- A Whistle Blowers Hotline
- Change in legislation regarding pay cycles and shorter periods of redemption

The Fair Worker Commission, and The Ombudsman have unfortunately become caught up in due process and administrative red tape.

Unfortunately the unions are also in the same boat.

On the 13<sup>th</sup> of November 2014 a new government publication titled 'Safeguarding Integrity: A guide to the integrity system in Victoria'

The combination was the systematic approach from the combined authority of IBAC, VAGO, and the Victorian Ombudsman.

In many ways it could be said that it was spurred from the open dialogue as encouraged at the IPAA Victoria Forum on Integrity that took place earlier that year.

It became clear over the passing months that there was opaque perception within the wider community regarding both the definition of integrity and the roles which governing bodies have, and the duties that they are obligated to fulfil as well as enhance.

Overseeing IBAC, VAGO, and the Victorian Ombudsman offices is the Victorian Inspectorate.

And yet again in approaching the ongoing issues within the private security sector the question remains unanswered... 'Who has due power to be able to order a full spectrum investigation into the corruption, of such things as the deliberate withholding of pay?'

Under normal circumstances, one which, the government would follow in due process and a reasonable time frame in most cases such as 24-48 hours regarding pay issues; it is not unusual for the private security sector to ring the bell of biased apologies and drag things out for up to 10 days at a time, and on a regular basis.

On December the 17<sup>th</sup> of 2014, ACG Security's licence was suspended and had its assets frozen by the Australian Federal Police during the process of selling to the cleaning and catering company Spotless, for numerous reasons such as the use of black money and using subcontractors.

At the time it was estimated that the annual turnover for the national security business was worth \$80 million but was set to sell for \$10 million instead.

Another example of poor money management is that of Sargent Security who in were forced to shut down due to being in receivership for 11 days in a row.

As a result of the incident emergency security measures were out in place as 900 public schools were put at risk.

The ABC 7.30 investigation managed to expose a national security licensing scam that involved Sargent Security as mentioned in an article from the Sydney Morning Herald.

Security Licensing & Enforcement Directorate (SLED) was tasked at issuing the orders for Sargent Security to surrender Master Security Licence and cease all operations. To carry on any security activity would result in committing an offence.

It is understood that the average industry runs on merely a 3-5% profit margin.

If this is true, then it would make for clear sense that the cash flow of such an industry would fluctuate to such a degree; that it would be near impossible to maintain a regulated positive cash flow during a time of global financial crisis.

It is not unusual for a three-pay cycle (which often takes place in December) to be replaced with a two-pay cycle, as a possible means to keep the company operational. Unfortunately it is at the expense of the employees and at a time when they need the money the most.

The fallout of which would be passed onto the employees at the cost of their own livelihood affecting families and the greater society in the process.

It is not unusual for people within the private security industry to miss a major payment for essential daily living expenses such as electricity, rent, and mortgage repayments, with people being forced out of their homes in the most extreme of circumstances.

It is common knowledge that with a decline in trust towards the authorities causes a decline in integrity as people are forced to reside to alternative methods of meeting their basic needs and obligatory financial responsibilities, such as payday loans.

Hence the increase within crime, money laundering, drugs, and many other substantial issues due to the fallout of leadership, accountability and due diligence.

Insurance regarding corporate buildings and untrained guards just out of prison are some of the other issues.

Again, it is not uncommon for sub-contractors to be utilized even within Secured Government Buildings, which not only puts the staff and high officials at risk, (Let alone sensitive information and infrastructure), but it is understood that it is against Insurance Policy in many cases.

I urge that the following also be considered and that this serious and pressing issue be dealt with in a manner that is reflective.

## RECOMMENDATIONS

- WHISLEBLOWERS HOTLINE
- INVESTIGATION TO TIME TAKEN TO PAY
- CHANGE IN LEGISLATION TO SHORTEN PAY CORRECTION
- ONGOING MONITORING OF LICENSING AND QUALITY

Thank you for your time and consideration of these matters

Kind Regards

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