

# SAFEGUARD

A PROFESSIONAL CODE FOR THE VICTORIAN SECURITY INDUSTRY



**EXECUTIVE SUMMARY**

**BY UNITED VOICE, THE SECURITY UNION**

## TRACY KING, SECURITY OFFICER, WILSON SECURITY



*I have worked in security for about seven years. I take pride in my job as a professional security officer. This is my career. But dodgy contractors are bringing down the reputation of officers and companies that provide a quality service.*

*A lot of clients do not realise the difference between the security companies. You need to know that the smaller companies that seem cheaper than the quality contractors often do not deliver what they are contracted to provide. In some cases they actually provide fewer officers than the contract stipulates or they move staff who are supposed to be at your site over to other sites.*

*With cowboy companies you do not know what you are getting. Many get into financial difficulty and may not be able to fulfil their contracts. You could be left without any security at all and no compensation because the contractor has been liquidated.*

*Many also do not pay their staff their legal wages and entitlements. This makes it difficult to retain professional guards in our industry. They end up looking for another career path after being burnt by a dodgy contractor.*



*Safeguard contractors, on the other hand, have been around a very long time. They have proven their ability to provide well-trained security personnel to fulfil their contracts appropriately. As a client, if you make the right choice, you will get the solid reputation of an experienced security company and officers that you can trust.*

*If I were a client I would do my research carefully before engaging a security contractor. Look for a company's professionalism and competency. What would you prefer, saving a few dollars now or peace of mind over the life of your contract? Your decision affects the safety and security of your most important assets: your staff, your property, your customers and your reputation."*



## PROFESSIONAL SECURITY IS AN INVESTMENT

Security officers protect people, property, data and other important assets. They also make a vital contribution to keeping our community safe.

Professional security is an important investment. Security breaches due to poor service can be extremely costly.

However professional security is not only prudent risk management: it is a competitive advantage that can help building owners attract and retain valued tenants.

Research by the Security Union with tenants, clients and their employees<sup>1</sup> has revealed that they value professional, properly-trained security officers that they know and trust. They are concerned about contractors that cut corners.

Our Tenant Survey found:

- 97.9% of respondents agreed it is important officers are properly trained and licensed
- 95.4% agreed that it is important security officers are trustworthy and experienced
- 94.3% believe secure well-paid jobs for officers help ensure there is a stable, experienced security presence
- 85.3% would be concerned if a cut-price contractor was used in their building
- 75.6% were worried about violent, poorly-trained guards working in the industry.

### PROFESSIONAL SECURITY IS IMPORTANT

*"The safety of the public, your staff, and your property - you absolutely have to care about these things. There could be seriously dangerous incidents. It is worth paying for professionals to avoid these."*

– Security Screener



## ● EXECUTIVE SUMMARY

### ROGUE CONTRACTORS: A BIG RISK TO SECURITY CLIENTS

The private security industry has grown significantly in recent years, particularly following September 11. This growth is forecasted to continue.<sup>2</sup>

In response, smaller operators have flooded the market, setting off a ferocious price war. But with low margins, many contractors make a profit by cutting corners. This has created a crisis in security standards that has serious consequences for clients.

Well over a third (37%) of security officers surveyed knew of contractors that cut corners on services that clients have paid for.<sup>3</sup> This includes using unsafe staffing levels and/or imposing unrealistic workloads that are simply impossible to achieve.

Research from multiple sources has identified widespread breaches of government rules and regulations.<sup>4</sup> This includes breaches of workplace and occupational health and safety laws. Many companies use subcontractors of dubious repute to save money.

A well-trained, experienced workforce is regarded as vital to providing a professional service. Yet many contractors fail to properly train their officers. High

staff turnover due to low pay and insecure jobs also undermines professional standards among many contractors.

The Australian Crime Commission has found organised crime and outlaw motor-cycle clubs to have infiltrated the industry, in an investigation completed in 2009. The Commission noted that easy access to “a range of public and private assets” was a key factor behind this disturbing trend.<sup>5</sup>

This race to the bottom has created a crisis in the private security industry. It presents a number of risks to clients, including:

- Clients ripped-off
- Disruption to business
- Security breaches
- Injuries and accidents
- Unsafe security staffing levels
- Poor, unprofessional service
- High turnover and lack of trained, experienced security presence
- Negative media and brand damage
- Extortion, violence, theft, association with organised crime.

### Security firm flouting laws

**“SECURITY industry employers are regularly flouting workplace laws, according to a national audit that found nearly one in two security bosses was not complying with the Fair Work Act.”**

*Ben Schneiders, The Age, 8 April, 2010*

## ● EXECUTIVE SUMMARY

### PRICE WAR CREATES RACE TO BOTTOM

*"We see compliance and enforcement across the country as the key issues. It's very hard for reputable operators to compete because they're competing with people who operate on a completely different business model, so you get that race to the bottom in terms of compliance and enforcement."*

*– Brian de Caires, Chief Executive Officer, Australian Security Industry Association<sup>6</sup>*

### Guilty plea on unlicensed security

**"A Hobart man has admitted employing unlicensed security guards to work at a major sporting event."**

*ABC News, 4 December, 2008*

### Security chief faces drugs, firearm charges

**"THE OWNER of a multi-million-dollar Fyshwick security business was refused bail yesterday on drugs and firearms charges."**

*Ben Houston, Canberra Times, 2 August, 2005*



## WARREN HILL, SECURITY OFFICER, ISS SECURITY

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*I've worked in security for almost 10 years. For six months I worked for a cut-price contractor.*

*We used to patrol 50 schools and some small businesses, all in a single 12-hour night shift — and attend to alarms as well. Many sites were missed because the workload was impossible. The contractor did not provide the services they promised to clients. Clients didn't even know they were being ripped off.*

*Sometimes we'd go all night without a break. When we questioned our workload, management just said 'that's the job, you knew that when you started.'*

*We kept going even though we were tired because we needed the money. We were also worried that if we took breaks we'd be dismissed. I almost crashed a vehicle three times due to fatigue. I came close to a nervous breakdown.*

*They also broke workplace laws. We were paid a flat rate of \$16 an hour, no penalties. I checked my superannuation account: it had nothing in it. No one was paid super. I informed the ATO and I won back \$2,247. I found out this contractor owed them \$138,000. I resigned and eventually, everyone I worked with did too. There was huge turnover.*



*About eight months after I left this company the contractor went broke. But the company still operates because it is in his wife's name.*

*Now I work for a Safeguard contractor. The difference is huge. ISS Security meets client expectations. If there are any site issues, we sort them out. We're all properly trained and licensed. We're also paid our correct wages and entitlements so ISS has a stable, experienced workforce.*

*It is a great relief knowing there are contractors who do the right thing by clients and their officers."*



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## Concerns organised crime infiltrating private security firms

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**“THE body representing private security firms says it’s worried that organised crime has infiltrated the industry.”**

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*Mark Colvin, ABC PM Program  
11 July, 2007*



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## Security guards reprimanded for undue force

**“A SECURITY guard has had his crowd controllers licence suspended for six months for kicking a man who attacked him at the Rapid Creek shopping centre.”**

*David Coady, ABC Online  
7 June, 2010*



## ● EXECUTIVE SUMMARY

### **CONDUCT PROBITY CHECKS, CRIME WATCHDOG WARNS**

After investigating criminality in the security industry the Australian Crime Commission gave this advice to clients:

*“Organisations engaging security companies can undertake probity checks of the companies they are seeking to hire. Checks could relate to:*

- *References*
- *The financial dealings of the company*
- *The individual's performance of their security-related tasks (i.e. by speaking to staff in person to gauge their level of understanding of their function)*
- *An assessment of the English language skills of staff.*

*“As a number of the principal security contractors subcontract services, the probity check could focus on which company is actually providing the security service, to allow appropriate reviews of those companies, or provisions be included in contracts not to allow sub-contracting to occur.”*

*– John Lawler, CEO, Australian Crime Commission.<sup>7</sup>*

### SAFEGUARD: A PROFESSIONAL CODE

In 2010, Victorian security officers developed a new standard to assist clients seeking a quality security contractor and avoid the risks associated with rogue contractors.

The Safeguard Professional Code for the Security Industry recognises and endorses contractors that meet the highest standards in the Victorian security industry.

Safeguard-endorsed security contractors provide professional standards through a partnership approach with members of United Voice, the Security Union. Together, they have made a “commitment to a quality security industry, co-operation and respect for freedom of association” and jointly work to achieve continuous service improvements.<sup>6</sup>

In contrast to rogue contractors, who are often in breach of workplace laws, Safeguard contractors have signed collective agreements with their staff. These agreements provide above-Award wages and conditions. This enables Safeguard contractors to retain a stable and professional workforce.

In an historic first for the Victorian security industry, Safeguard-endorsed contractors recently committed to a long-service leave portability scheme. This is great news for clients as it will help retain skilled and experienced guards at client sites when there is a change of contract from one Safeguard-endorsed contractor to another.

Safeguard contractors also provide an avenue for casual employees to become permanent, if they wish, which helps them to keep experienced guards in the industry.

Furthermore, Safeguard contractors pay for the costs and time of training of guards and comply with, or exceed, relevant requirements in staff training, occupational health and safety and industry-specific regulations. This helps them provide a professional standard to clients.

With such valuable assets at risk — your people, property, information and reputation — an informed choice about security is vitally important. Selecting a Safeguard security contractor provides you with peace of mind.



## WHY WE CHOOSE PROFESSIONAL SECURITY, INDUSTRY SUPERANNUATION PROPERTY TRUST

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*ISPT invests in property on behalf of industry superannuation funds. ISPT owns shopping centres, office buildings and industrial facilities with varying and quite diverse security requirements.*

*There are a number of things that we look for when seeking to engage a security contractor.*

*Professional standards are very important to us. We strive to meet these ourselves. We can't afford for those that deal with our valued tenants to operate at a lower standard.*

*Security is a forward-facing service. They have day-to-day contact with the tenants and the visitors to our properties. As part of our commitment to service and quality for tenants we seek a polite, firm, fair and vigilant service.*

*A stable workforce is a key thing we seek in a security profile. Tenants often form relationships with security staff over months or years. It gives them a sense of community when they see a familiar face. Also, the security staff get to know the habits and patterns of people within the building.*



*Training and licensing are also very important. We seek qualified people who can respond to an incident on the basis of training.*

*Within our contracts we don't permit subcontracting. It leads to a remote relationship between us and whoever provides the day-to-day service. It compromises our control of the site."*

*- Mark Bassett, Fund Manager, ISPT*

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*It is important to us that contractors are providing appropriate workplace conditions and treating their staff fairly. This gives them the ability to deliver the service that we are after.*

*Professional security is important in retaining tenants. Providing a safe environment is essential.*

*ISPT likes to promote good standards in all service contracts relevant to the property — this includes professional security, which is reflective of our brand and reputation.*

*Professional security is also important for managing risk in terms of the asset itself and public liability."*

*- Christopher Chuah, Portfolio Facilities Manager, ISPT*

**Pictured left:** Mark Bassett and Christopher Chuah

## ABOUT THE REPORT

*United Voice (formerly LHMU) is a union of workers organising to win better jobs, stronger communities, a fairer society and a sustainable future.*

This report draws on some primary research conducted by the United Voice Security Union details of which can be found in the full report at [www.safeguard.org.au/the-code](http://www.safeguard.org.au/the-code)

## END NOTES

<sup>1</sup> United Voice Tenant Survey on Security Standards (see full report for details) <sup>2</sup> IBIS World *Security and Investigative Services in Australia* June 2010, p. 3 <sup>3</sup> United Voice Security Industry Audit (see full report for details) <sup>4</sup> See for example: Fair Work Ombudsman *National Security Industry Campaign 2009: Report and Recommendations* March 2010, Fraser Duff "Economic considerations for the Australian security industry" *Security Insider* 2006, John Lawler, CEO Australian Crime Commission in a Media Response for United Voice Victorian Branch, 19th July 2010 and United Voice Security Industry Audit (see full report for details) <sup>5</sup> Ibid. John Lawler 2011 <sup>6</sup> Brian de Caires cited in Sally Neighbour, 5/9/2009 "Private police out of control" *The Australian* <sup>7</sup> Op. Cit. John Lawler, CEO Australian Crime Commission <sup>8</sup> See for example the following enterprise agreement; United Voice Security Union and ISS Security Safeguard Agreement 2011





**Pictured:** Bronco Mihevc, Wilson Security

*"I feel passionate about my job because I like to do a professional job... I believe that I have the skills, the training and the experience to do that... We supply a valuable service to the clients... My main concern with the industry is the fly-by-night companies bringing the industry into disrepute. Everyone assumes that we are all the same and we are not."*

*– Control room operator, Safeguard contractor*

**safeguard.org.au**