

## SECURITY INDUSTRY AMENDMENT BILL 2012

### Second Reading

**Mr GEOFF PROVEST** (Tweed—Parliamentary Secretary) [5.33 p.m.], on behalf of Mr Greg Smith: I move:

That this bill be now read a second time.

As this bill was introduced on 13 June 2012 and is in the same form, the second reading speech appears on pages 12643 to 12645 of the *Hansard* for that day. However, I will take this opportunity to inform the House of some additional information on this important bill. In my previous life as a club manager I often had occasion to deal with security companies and security guards. It was obvious that there was confusion in the industry. At the fabulous Revesby Workers Club in Sydney many years ago before these Acts were implemented there was always an issue about who was licensed and who was not licensed. There was also a great gap in the quality and standard of security services provided.

Over the past 20 years I have noticed that successive governments have attempted to regulate the industry. The introduction of this bill, which is a great initiative by the Minister for Police and Emergency Services, finally creates a high degree of professionalism, focus and direction. It also provides clarification to the Act as it stands. It simplifies the licence process which historically has been confusing. My Nationals colleagues from regional New South Wales know that security services are hard to maintain in those areas. It is hard to attract people to provide those services because of the tyranny of distance.

The bill also improves industry's compliance. There are some great and honourable operators within the security industry. Unfortunately, there are some other operators that really should not be there. This amendment will go a long way towards resolving that issue. I commend the bill to the House.

**Mr NATHAN REES** (Toongabbie) [5.36 p.m.]: I lead for the Opposition in debate on the Security Industry Amendment Bill 2012 and indicate that the Opposition supports the bill. The Opposition supports the expansion of the powers that can be exercised by police officers under the current Act and

the introduction of new licensing and training requirements. We also support the abolition of the Security Industry Council and the introduction of a master licence, along with the stringent curtailing of the ability to employ subcontractors unless specific conditions are met. We support the expanded list of mandatory and discretionary grounds on which the commissioner may refuse to grant a licence application and also the capacity to take palm prints.

The necessary evil in this bill is the provision that allows for the introduction of a business or employment firearms licence for approved employees in approved employment. That is a step away from the national agreement on firearms licensing, but I understand the rationale behind it. This bill arises from a review of the existing arrangements which was commenced by former police Minister Michael Daley. I am perplexed that it has taken 16 months to become manifest in a bill. It was ready to go—

**Mr Stephen Bromhead:** They could not bring it in because Parliament was prorogued for five months.

**Mr NATHAN REES:** It was ready to go when this Government came into office. Notwithstanding the well documented infiltration of the security industry by outlaw motorcycle gangs and other criminal entities, this has languished in the Government's show for 16 months as it moved at glacial pace to fix a glaring exposure in the security industry. Notwithstanding that, this is a sensible bill. Its time has come and the Opposition supports it.

~Break/Mendra

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**Mr STEPHEN BROMHEAD** (Myall Lakes) [5.38 p.m.]: I support the Security Industry Amendment Bill 2012, which states:

The objects of this Bill are as follows:

(a) to expand the range of powers that can be exercised by police officers under the Security Industry Act 1997 ... and to authorise those powers to be exercised by other members of the NSW Police Force who are authorised by the Commissioner of Police ... to exercise enforcement officer functions,

(b) to abolish the provisional licensing system under the SI [Security Industry] Act and to make provision for class 1 licences to be issued to persons who have not previously held such a licence, subject to certain conditions, including undertaking certain training and assessment,

(c) to declare that certain provisions of the SI [Security Industry] Act and the

Security Industry Regulation 2007 are excluded from the application of section 9 of the National Vocational Education and Training Regulator Act 2011 of the Commonwealth ... so that the State provisions will continue to apply to certain organisations providing training, assessment or instruction in relation to security activities,

(d) to declare that certain provisions of the Firearms Act 1996 ... are excluded from the application of section 9 of the Commonwealth Act so that the State provisions will continue to apply to certain organisations providing training, assessment or instruction in relation to use and possession of firearms,

(e) to provide for the renewal of licences under the ... Act,

(f) to amend provisions relating to master licences under the ... Act ...

(g) to remove certain subclasses of class 1 and class 2 licences under the ... Act,

(h) to abolish the Security Industry Council,

(i) to make other amendments generally with respect to licences under the SI [Security Industry] Act, including the introduction of additional grounds on which the Commissioner must refuse to grant a licence,

(j) to extend the Commissioner's power under the SI [Security Industry] Act to require that an applicant for a licence provide the Commissioner with fingerprints so that it also includes palm prints,

(k) to create a new provisional pistol licence under the Firearms Act which holders of a class 1F licence under the SI [Security Industry] Act who have not previously held such a licence will also be required to hold.

In 2009 the Independent Commission Against Corruption issued its final report on an investigation into allegations of corrupt conduct against a number of businesses that provide training to the New South Wales security industry. The report revealed corruption and poor quality in the provision and certification of security industry training. Many of the amendments in the bill seek to implement the recommendations made by the Independent Commission Against Corruption to address regulatory problems confronting the security industry. The measures will improve the

effectiveness and integrity of assessment that is conducted for New South Wales security licensing purposes. Currently the Act and the regulations stipulate that the Commissioner of Police may determine the training standards required to be met by licence applicants, approve registered training organisations to deliver such training and assessment, and impose conditions on such approvals as well as revoke or suspend such approvals.

When one considers the comments of the member for Toongabbie, the point must be made that there are two parts to the introduction of this bill. The Independent Commission Against Corruption presented a report in 2009, and what did the previous Labor Government do? Absolutely nothing. The member for Toongabbie said that the previous police Minister, the member for Maroubra, had prepared legislative amendments 16 months ago. The Coalition won government 14 months ago. Why did he not make those changes? The member for Maroubra did not make those changes because Parliament had been prorogued in one of the greatest attacks on democracy in the history of this State. That was perpetrated by the previous Labor Government, led at that time by the member for Heffron. It was absolutely disgraceful. In contrast, this Coalition Government is once again cleaning up the mess and fixing up the problems left to us by the previous Government. It is all very well for the member for Toongabbie to say the amendments were ready to go 16 months ago. If Labor had not prorogued Parliament, the previous Government could have made the changes.

The bill will preserve the operation of the provisions of the Act and regulations relating to the commissioner's function. The regulations also will contain offences for persons who conduct an approved security industry training course without the approval of the Commissioner of Police and for approved registered training organisations that fail to comply with the conditions of approval imposed by the commissioner. These amendments will counter the unintended consequences of the commencement on 1 July 2011 of the Commonwealth National Vocational Education and Training Regulator Act 2011, which impacted on the functions of the Commissioner of Police with regard to the regulation of security industry training. The Commonwealth Act renders inoperative sections of the New South Wales Security Industry Act 1997 and regulations that support police regulation of security industry training. The level of oversight required by the security training industry warrants the retention of regulation of registered training organisations in New South Wales instead of referring it to the national regulator. As provided by

sections 10 and 11 of the National Vocational Education and Training Regulator Act 2011, the bill includes a declaration excluding security industry training so that the commissioner can continue working to implement recommendations made in 2009 by the Independent Commission Against Corruption.

In response to recommendations made by the Independent Commission Against Corruption, the commissioner will be able to impose further conditions on registered training organisations that have been approved to deliver training for licensing purposes. These conditions include a requirement for registered training organisations to use mandated assessment materials that are designed to ensure that competence is assessed in a consistent and auditable manner. Section 15 of the Act will be amended so that the commissioner may refuse a licence application supported by a training certificate that has not been issued in accordance with the commissioner's requirements. Amendments also will provide that an application for any licence subclass may be refused if the applicant has not completed or satisfied the training instruction and assessment requirements prescribed by the regulations to the satisfaction of the commissioner.

The bill will be effective in addressing issues identified by the Independent Commission Against Corruption by strengthening the regulation of security industry training. New South Wales continues to have the highest standards for security industry training to ensure quality and consistency in the provision of security services for businesses and the community. This legislation is another part of the suite of legislation that this Government has introduced to stamp out corruption and restore law and order to the streets of New South Wales. This Government introduced tougher consorting laws, gang laws, drive-by shooting laws and tattoo parlour laws, and this legislation adds to the suite of laws that are attacking criminals and organised crime groups to ensure that New South Wales is at the forefront of combating crime.

This bill is yet another example of the Liberal-Nationals Government fixing up the mess left to us by the previous Labor Government. This is another example of the New South Wales Government delivering on its promises and on its election commitments. As I stated earlier, wherever one goes throughout regional areas of New South Wales people are talking about what a great job this Government is doing and saying that the State was overdue to have a Government that fights for the battler, fights for the worker and fights for the people of New South Wales. I commend the bill to

the House.

**Mr JONATHAN O'DEA** (Davidson) [5.46 p.m.]: I support the Security Industry Amendment Bill 2012. The reforms will enhance the regulation of the security industry in regards to training, assessment and certification. The bill also introduces a number of measures to reduce red tape and streamline administrative processes. That is consistent with the New South Wales Government's State Plan and strategies as well as the O'Farrell Government's determination to increase the competitiveness of doing business in New South Wales, for example, through a 20 per cent reduction in red tape for both the business and broader community by June 2015.

Under the Act an application for a licence must be accompanied by two written references vouching that the applicant is a fit and proper person to work in the security industry. Operational experience indicates that those provisions add significant time and cost to the making and processing of applications while not enhancing the quality or probity checking of applicants. It has been suggested that the security industry has had to put up with red tape. The stoicism displayed by the industry in that regard has been compared to that of Marcus Aurelius. General written references of this nature are considered to be of limited value, particularly in the light of other substantial checks that are in place. Therefore, section 14 (3) (b) will be repealed to remove the requirement for written references.

The NSW Police Force engaged Deloitte in 2010 to conduct a management review of the then security industry registry. The review examined opportunities to gain efficiencies by improving licensing processes and technology. It identified that where there have been no material changes in licensee circumstances, the reapplication process could be streamlined. Currently licenses cannot be renewed, but an application for a new licence may be made.

~Trevor follows

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The Act currently stipulates the term of a licence to be five years—or such shorter period as prescribed by the regulations—from the day on which it comes into force unless it is surrendered or revoked or otherwise ceases to be in force. The bill will amend section 24 to provide for a licence renewal process, which will include the continuation of the authority of the old licence subject to any further particulars required by the commissioner. There is also a provision for a penalty for late renewal. Streamlining licensing processes will enable a reduced wait time, and reducing red tape

for applicants will result in efficiency improvements for the Security Licensing and Enforcement Directorate by lowering licence application processing volumes. Surely, this is a win for all and a sensible reform. I note the Opposition, pleasingly, is supporting the bill and this reform.

The bill also facilitates the restructure and realignment of the Security Licensing and Enforcement Directorate, as recommended by the management review, by giving civilians within the directorate the powers they need to conduct compliance audits on the security industry. The directorate will now have both the resources and powers it needs to effectively fulfil its licensing role and its expanded compliance functions. This will result in quicker processing of applications and enhanced customer service. Realignment of the directorate within the NSW Police State Crime Command also allows for closer ties with operational police who are investigating serious crime. The alignment also reflects the expanded regulatory and compliance scope of the directorate. I observe that the Minister for Police and Emergency Services, the Hon. Michael Gallacher, and the Parliamentary Secretary, the member for Tweed, form a great team in the Police portfolio. This bill reflects their positive work for New South Wales. I commend the bill to the House.

**Mr ANDREW GEE** (Orange) [5.51 p.m.]: I thank the member for Davidson for that marvellous contribution. I note once again he has invoked in one of his speeches to this House the spirit of the Emperor Marcus Aurelius. The member for Davidson is certainly a man of letters. It reminds me of some words Emperor Marcus Aurelius once said: "Each day provides its own gifts." In the same way, each day the O'Farrell Government provides New South Wales with the gift of legislation—wonderful reforming legislation that is transforming the great State of New South Wales. That is why I speak in support of the Security Industry Amendment Bill 2012.

In 2009 the Independent Commission Against Corruption issued its final report on an investigation into allegations of corrupt conduct against a number of businesses which provide training to the New South Wales security industry. The report revealed corruption and poor quality in the provision and certification of security industry training. Many of the amendments in the bill seek to implement the recommendations made by the Independent Commission Against Corruption to address the regulatory problems confronting the security industry. The measures will improve the effectiveness and integrity of assessment that is conducted for New South Wales security licensing purposes.

Currently the Act and the regulation stipulate that the Commissioner of Police may determine the training standards that are required to be met by licence applicants, approve registered training organisations to deliver such training and assessment, and impose conditions on such approvals and revoke or suspend such approvals. The regulation also provides for offences for persons that conduct an approved security industry training course without the police commissioner's approval and for approved registered training organisations that fail to comply with the conditions of approval imposed by the commissioner. The bill will preserve the operation of these provisions of the Act and regulations relating to the commissioner's functions.

These amendments will counter the unintended impact of the 1 July 2011 commencement of the National Vocational Education and Training Regulator Act 2011 on the Commissioner of Police's functions with regard to the regulation of security industry training. The Commonwealth Act renders inoperative the sections of the New South Wales Security Industry Act 1997 and regulations that support police regulation of security industry training. The level of oversight required by the security training industry warrants the retention of regulation of registered training organisations by New South Wales over referring it to the national regulator. As provided by sections 10 and 11 of the National Vocational Education and Training Regulator Act 2011, the bill includes a declaration excluding security industry training so that the commissioner can continue to work towards implementing the Independent Commission Against Corruption's recommendations.

In response to the Independent Commission Against Corruption's recommendations, the commissioner will be able to impose further conditions on registered training organisations that have been approved to deliver training for licensing purposes. These conditions include a requirement for registered training organisations to use mandated assessment materials designed to ensure that competence is assessed in a consistent and auditable manner. Section 15 of the Act will be amended so that the commissioner may refuse a licence application supported by a training certificate that has not been issued in accordance with the commissioner's requirements.

Amendments also will provide that an application for any licence subclass may be refused if the applicant has not completed or satisfied the training instruction and assessment requirements prescribed by the regulations to the satisfaction of the commissioner. The bill is effective in addressing



issues identified by the Independent Commission Against Corruption by strengthening the regulation of security industry training. New South Wales continues to have the highest standards for security industry training to ensure quality and consistency in the provision of security services for businesses and the community. This is another example of reforming legislation introduced by this very busy and hardworking O'Farrell Government. I commend the bill to the House.

**Mr GEOFF PROVEST** (Tweed—Parliamentary Secretary) [5.56 p.m.], in reply: A number of members have spoken today on the Security Industry Amendment Bill 2012. I acknowledge the member for Toongabbie, the member for Myall Lakes, the member for Davidson and the member for Orange. I even feel like thanking Marcus Aurelius for his contribution to the debate. I particularly thank the members representing the electorates of Davidson, Myall Lakes and Orange for their contributions. They obviously they know their subject and have researched it.

This bill is a great step forward for the security industry, bringing together the various aspects of the industry. The proposed changes to the regulation of the security industry have required extensive consultation with the relevant government agencies and industry representatives. Like many members in this place, I serve on a number of committees. A cornerstone of the O'Farrell-Stoner Government is its ability to communicate with the wider community and key stakeholders so that we end up with common-sense legislation. That is the real strength and a great attribute of this Government. I hear it on the street, and I read about it in the local media.

The security industry plays a vital role not only at venues but also in guarding iconic infrastructure such as the Sydney Harbour Bridge as well as army bases, airports and so on. Security is important, particularly in this ever-changing world. Acts of terrorism are becoming more commonplace across the world. We are fortunate in Australia that we have not experienced terrorist acts as have occurred in other countries. The fine men and women in the security industry are protecting the community and it is important that we implement changes and regulations to ensure their industry has transparency and ease of operation. We on this side of the House are ever mindful of red tape and the extra cost it places on small businesses. It is important that the Government takes the time to make sure that these proposed reforms to the regulation of the security industry are effective.

The member for Toongabbie commented on the time it has take for this

legislation to be brought before the House. It is important to get the legislation right so that we do not have to revisit it time and again. We do not want to destroy the industry; we want to foster and encourage it. As I said, it has been important that we speak to all key stakeholders, both government and non-government agencies, and those active players within the industry in order to get the legislation right. The Security Industry Amendment Bill 2012 is a great step forward for a great industry. I commend the bill to the House.

**Question—That this bill be now read a second time—put and resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time.**

### **Third Reading**

**Motion by Mr Geoff Provest agreed to:**

That this bill be now read a third time.

**Bill read a third time and returned to the Legislative Council without amendment.**