

Chair: Brian Howe AO Deputy Chair: Paul Munro

Level 6 365 Queen Street Melbourne Victoria 3000

T 1300 362 223 (toll free)
W securejobs.org.au
E inquiry@securejobs.org.au

Online submission						
First name		Anonymous		Surname		
Age	4	1-50	Gender	Male	State	VIC
Occupation (if available)			Victorian WorkCover Authority investigator			

## Text of submission

My personal experiences as a sub-contractor investigator demonstrates how the Victorian WorkCover Authority and the Victorian Transport Accident Commission have used their market power and dominance within the investigations industry to limit individual investigator's earning capacity to a level well below what which could be expected for professionals working to provide lawyers, courts and insurers with the facts on which they rely.

Every year the VWA publishes maximum rates that Private Investigation Companies are allowed to charge for their investigation services. The TAC do not publish the maximum hourly rates but they do, none the less, fix the rates that Private Investigation Companies are allowed to charge for their investigation services. Both organisations also publish a list of 'Charge out Points' from which Investigators must charge their kilometres travelled and a very limited list of allowable expenses that can be reimbursed. Because the rates, as fixed by the VWA and TAC are so low, the Panel firms are unable to directly employ individual investigators to perform the investigations work. It has been stated to me, by more than one investigation manager, that if the firms employed investigators directly they would go broke within twelve months.

The VWA dictate, that no matter how many kilometres are travelled during the course of an investigation, an investigator is only allowed to charge a minimal fixed fee for all travel within 35km of the charge out location, currently a maximum of \$35 ex GST. I have on many occasions travelled over 100km and up to 250km during the course of an investigation all within Melbourne's 35km radius. Depending on the type of vehicle being driven the \$35 fixed fee covers the cost of running a vehicle between approximately 30 to 35km per investigation, thereafter the additional km are either being travelled for free, or subsidised by the investigator's hourly rate.

The TAC dictate that km travelled can only be charged from the charge out point closest to the home or business address of the primary subject of the investigation. If a secondary subject or witness happens to live closer to a different charge out point that charge out point becomes the new charge out point. The amount of kilometres actually travelled by the

individual investigator from their home address (we all work from home) to the subject or witness is irrelevant. Whilst this system results in a fairer system in so far as there is a genuine attempt to allocate work to investigators closest to the subject, it works against the investigators interests when one or more witnesses live closer to a different charge out point. The time and km travelled from the first charge out point to the second cannot be billed for.

It is my understanding that both organisations publish these rates with minimal if any input, negotiation or consultation with the investigation companies arranging the investigation services, and with no input at all from the sub-contractors that actually do the work.

The VWA and TAC both have a system in place whereby they only allocate work to 'Panel Firms'. The panel firms have been selected by the VWA and TAC to perform their investigation work because they have agreed to perform investigations at the rates published by the VWA and TAC. It is my understanding that currently the TAC only have between two and three firms on its panel. I do not know the number of firms on the VWA's panel but understand it is equally restricted. Once on the panel the firms cannot negotiate rates or billable expenses, they simply accept what is on offer and pass the burden to the subcontractors. The subcontractors of course can only negotiate a percentage of the allowable billable rates with the investigation companies, and must accept the restrictions imposed by the VWA and TAC if they wish to work as an investigator.

Furthermore, because the work allocated by the VWA and TAC forms a large percentage of all personal injury claims lodged in Victoria, the market dominance of these organisations in effect sets the benchmark for rates other insurers are prepared to pay for any type of investigation work. As such the vast majority of all investigations now performed in Victoria are performed by sub-contractors to the investigations firms at rates very similar to those set by the VWA and TAC.

During the last two years the VWA (and presumably the TAC) raised their allowable billable rates by a combined 5% (2.5%pa) clearly this might be the minimum wage increase employed workers have received over the past two years, however it does not come close to covering the rise in business related expenses that all subcontractors must bear. This situation is seriously hindering the ability of investigators to earn a living and/or further their own education.

During the six years of working as an investigator I have never been provided with any training whatsoever by the investigation firms other than "training" the covers the VWA and TAC expectations as far as report layouts, content and billing requirements is concerned.

The only career prospects as a subcontract Investigator is to work hard and get a permanent full time position with a government agency or large corporate entity, however, I have not succeeded in my efforts in this regard to date, presumably because, for all intents and purposes, I have been unemployed for the past six years. (no manager, no supervisor, no performance reviews etc). Whilst my instructors for the most part say they are willing to provide a genuine verbal reference I wonder if they do, because I am aware that they do not want to "lose" good investigators.

This situation of course means that I often work weekends (as there is not structure to the work or when it is allocated), I cannot afford to contribute to superannuation, I myself cannot buy or be covered by WorkCover insurance, the whole situation is stressful not knowing from week to week whether there will be any work next week (your only as good as your last job) and knowing that in the future I will be well behind my employed colleagues as far as superannuation, redundancy, long service leave and other benefits are concerned.

This submission was received online at the Inquiry's web site: http://securejobs.org.au/independent-inquiry-into-insecure-work-in-australia/

Certain information, including full contact details, have been withheld to respect the privacy of the submitter. Further details about the publication of submissions and a privacy statement are available at the website.