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29 October, 2009

*Dr. Jacqueline Dewar
Secretary
Parliamentary Joint Committee on the Australian Crime Commission
PO Box 6100
Parliament House
CANBERRA ACT 2600*

Dear Dr. Dewar,

***INQUIRY INTO THE ADEQUACY OF AVIATION AND MARITIME SECURITY MEASURES
TO COMBAT SERIOUS AND ORGANISED CRIME.***

Thank you for your letter of 16 September 2009 inviting the Australian Airports Association to make a submission in relation to the above inquiry being conducted by the Parliamentary Joint Committee on the Australian Crime Commission.

I am pleased to attach to this letter the Association's submission which offers comment that is necessarily from an airport perspective. We anticipate that, to a considerable degree, this submission would reflect a consensus view of individual airports, and hope that this will be helpful to the Committee.

Of course, it may well be that some individual member airports could have a different view on some matters canvassed in this submission. Should that be the case and particular airports raise those issues in their own individual submissions, we ask that those submissions be given full consideration in their own right.

If you require any further assistance or elaboration, please do not hesitate to contact me.

Yours sincerely

*Ken Keech
Chief Executive Officer*



PARLIAMENTARY JOINT COMMITTEE ON THE AUSTRALIAN CRIME COMMISSION

***Inquiry into the adequacy of aviation and maritime security measures
to combat serious and organised crime***

The Australian Airports Association (AAA) was founded in 1982 in recognition of the real need for one coherent, cohesive, consistent and vital voice for all aerodromes and airports throughout Australia. It is a non-profit organisation that represents the interests of over 275 member aerodromes and airports Australia-wide, from the local country council-owned and operated community service landing strip to the major privatised international gateway airports.

The Charter of the AAA is to facilitate co-operation among all member airports and their many and varied partners in Australian aviation, whilst doing its part in maintaining an air transport system that is safe, secure, environmentally responsible and efficient for the benefit of all Australians.

The AAA thus welcomes the Committee's inquiry into the effectiveness of current administrative and law enforcement arrangements to protect Australia's borders from serious and organised criminal activity. Australian airport operators are committed to playing their proper part in contributing to the protection of Australia's borders.

At the same time however, the role and responsibility of airport operators in respect of such matters is extremely limited.

Predominant responsibility necessarily rests with the various Commonwealth, State and Territory law enforcement agencies – police, national security, customs, immigration and quarantine. To a far lesser extent, aviation industry users of Australian airports have a role to play in ensuring that their supervision of their employees guards against the use of airport premises for serious and organised criminal activity.

By and large, however, airport operators are themselves relatively passive providers of airport infrastructure and their associated activities provide little opportunity or incentive for the airport operator's own employees to engage in serious and organised criminal activity. For example, it is predominantly airline employees rather than airport employees who load and unload aircraft and therefore may have the opportunity to arrange the receipt or dispatch of unlawful substances.

This necessarily means that airport operators have little if any basis on which to comment on those of the Committee's terms of reference that require it to inquire into:

- (a) methods used by serious and organised criminal groups to infiltrate Australia's airports and ports, and the extent of infiltration;

- (b) the range of criminal activity currently occurring at Australia's airports and ports, including but not limited to:
 - . the importation of illicit drugs, firearms, and prohibited items
 - . tariff avoidance
 - . people trafficking and people smuggling
 - . money laundering
 - . air cargo and maritime cargo theft.

- (d) the current administrative and law enforcement arrangements and information and intelligence sharing measures to manage the risk of serious and organised criminal activity at Australia's airports and ports

Airport operators are however particularly concerned about how the costs of border protection at airports are to be met.

Airports are but a conduit to the rest of the country and the security of aviation is but one cog in the overall law enforcement and national security processes. Aviation security and policing should therefore be treated and funded in exactly the same way as other modes of public transport. This means that airports and their passengers should not be directly accountable for meeting the costs of border protection in securing and safeguarding the well being of the broader Australian community.

In the same way that the public purse meets the cost of providing police “on the beat” or in connection with other transport infrastructure, it is the Consolidated Revenue that should meet the costs of Australia’s border protection agencies. In particular, the provision of accommodation, utility services and other facilities required by such agencies at Australian airports should be properly and accountably budgeted for by, and parliamentarily appropriated to, those agencies rather than arbitrarily imposed upon airport operators.

We understand that some within Government believe that the cost of aviation security is simply a cost of doing business that should be borne by airports. While all airport operators cover the costs of threats such as corporate theft, fraud, staff protection and so on through their business and insurance costs, aviation security is clearly another issue. Ensuring the security of aviation is in the national interest and to the benefit of the national economy, and is not necessarily driven by

circumstances surrounding, and may offer no particular benefit to, any individual airport.

Moreover, regardless of how border protection is to be funded, the AAA believes that the extent to which law enforcement or national security resources are deployed or requirements are imposed at airports should be determined squarely on the basis of contemporaneous risk assessments that are cognisant of the threat information provided by all relevant agencies.

In particular the AAA has been concerned about the apparent tendency of the Commonwealth to adopt a “one size fits all” approach to national security measures at airports when it seems clear that the risk of airport facilities being used for terrorist activities is extremely disparate. In this regard we note that the September 2005 Independent Review of Airport Security and Policing for the Government of Australia conducted by the Rt Hon Sir John Wheeler states at page 56 that:

A one-size fits all approach to security arrangements clearly is inappropriate for Australia's airports, ranging as they do from massive international facilities employing and transporting tens of thousands of people daily, to tiny airports where activity is sporadic.

The security risk assessment at a capital city airport is simply not applicable to a small airport with limited Regular Public Transport services elsewhere in the country. The continued imposition of 'perception-based' (as distinct from actual 'risk-based') regulation is unnecessary and unreasonably expensive. A commonsense approach with appropriate assessment mechanisms taking into account local conditions and attitudes is what is required for security arrangements at all airports.

The AAA additionally believes that the following particular issues must be taken into consideration when reviewing and setting aviation security policy applicable to aviation in remote, rural and regional Australia:

- *the costs associated with security initiatives at remote, rural and regional airports impact disproportionately when compared to major centre airports and greatly inhibit the capacity of regional and rural airport operators to ensure that their airports play the vital economic and social roles demanded by their communities;*
- *new security technologies often require significant power supplies which simply do not exist in a lot of remote, rural and regional airports;*
- *small labour pools in rural and remote areas make it extremely difficult to cover screening and other security staffing requirements generally, and particularly those associated with short time Regular Public Transport turn-arounds;*
- *remote, rural and regional airports are frequently unable to compete with remuneration and other employment terms in other industries (particularly the mining sector); and*
- *any initiative to set a level at which security measures are triggered is fraught with compounding issues and must recognise that airport assets are fixed and, once such measures are in place, require ongoing maintenance.*

In relation to paragraph (c) of the Committee's terms of reference:

the effectiveness of the Aviation Security Identification Card (ASIC) and Maritime Security Identification Card (MSIC) schemes; including the process of issuing ASICs and MSICs, the monitoring of cards issued and the storage of, and sharing of, ASIC and MSIC information between appropriate law enforcement agencies

the AAA notes that the Independent Review of Airport Security and Policing for the Government of Australia, conducted by Sir John Wheeler, set out a number of very specific recommendations regarding the effectiveness of ASIC processing and monitoring protocols.

It is disappointing to note that, whilst the previous Government gave public assurances that the 'Wheeler' recommendations would be acted upon, nothing of significance has occurred in terms of ASICs. It is clearly desirable that consistent assessment standards should be applied in respect of all ASIC applicants, and that assessments should be made against all relevant information of criminal or national security significance.

Accordingly, the AAA encourages the current Government to reassess the ASIC recommendations in the 'Wheeler' review and to put them into effect, as a matter of priority.

Finally, as the AAA has no knowledge of the findings of the Australian Crime Commission's special intelligence operations into Crime in the Transport Sector, it is unable to offer comment on the Committee's term of reference (e).