



**SUBMISSION TO THE COMMONWEALTH PARLIAMENT  
JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT  
REVIEW OF AVIATION SECURITY IN AUSTRALIA**

**DEVELOPMENTS IN AVIATION SECURITY  
SINCE THE JUNE 2004 REPORT 400**

**ON BEHALF OF  
MELBOURNE AND LAUNCESTON AIRPORTS**





1 July 2005

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**The Commonwealth Parliament**  
**Joint Committee of Public Accounts and Audit**  
**Review of Aviation Security in Australia**  
**Developments in Aviation Security Since the June 2004 Report 400**

Australia Pacific Airports Corporation Pty Limited (APAC) which is the airport owner and operator of Melbourne and Launceston Airports is pleased to lodge a submission to the Joint Committee of Public Accounts and Audit in respect of developments in Aviation Security since the June 2004 Report 400.

Our submission highlights significant developments that have occurred recently and areas requiring attention moving forward.

Yours faithfully

A handwritten signature in black ink that reads "Chris Barlow". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

**CHRIS BARLOW**  
**CHIEF EXECUTIVE OFFICER**

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**REVIEW OF AVIATION SECURITY IN AUSTRALIA**

**AUSTRALIA PACIFIC AIRPORTS CORPORATION PTY LIMITED**

**1. BUSINESS UPDATE**

Melbourne Airport presently services 28 passenger and 16 freight airlines and there are approximately 165,000 aircraft movements and 20 million domestic and international passengers per annum.

At Launceston Airport there are 12 Jet RPT services per day operated by Qantas and Virgin Blue and 2-3 freight services per day operated primarily by Australian air Express. There are approximately 15,300 aircraft movements per annum and over 670,000 passengers per annum.

**2. MELBOURNE AIRPORT INTRODUCTION**

There have been a number of significant developments in aviation security since the June 2004 Report 400 : Review of Aviation Security in Australia undertaken by the Joint Committee of Public Accounts and Audit.

Some of these developments have led to an incremental improvement in security arrangements at airports whilst others have significantly changed the aviation security landscape.

The introduction and implementation of the new Aviation Transport Security Act and Regulations and the provision of additional resources within the Department of Transport and Regional Services (DOTARS) and industry generally have contributed to the establishment of a solid foundation for the achievement of effective security outcomes.

APAM has continued to focus on accountability and compliance with regulatory requirements during this period. Consistent with Report 400's recommendations, it has adopted a leadership role in enhancing consultation and partnerships with industry, promoting a robust security culture and delivering a number of specific, risk based security initiatives relating to areas such as passenger and baggage screening, access control, standards setting and auditing, monitoring arrangements and training and education.

Recent events at Sydney Airport have led to concerns regarding crime and the adequacy of security arrangements. Government and industry have responded with the implementation of a number of further security enhancements, including an increased airside inspection regime focusing on persons, vehicles and goods entering and leaving airside. This is undoubtedly the area from which the next significant incremental improvement in aviation security will come. These events have underlined the need for aviation security to be constantly reviewed and for industry to be flexible and prepared to respond quickly to changing circumstances.

These new arrangements will put Australia in the top three nations in aviation security. This is not in line with the threat level in Australia. The aviation industry is also being treated inconsistently by comparison with other industries.

### 3. MELBOURNE AIRPORT RESPONSE TO TERMS OF REFERENCE

#### 3.1 Regulation of Aviation Security by the Commonwealth

The introduction of the new Aviation Transport Security Act and Regulations is viewed as a major aviation security development. The requirement for the development of Transport Security Programs specifically tailored for the local security risk context of individual airports, rather than the previous uniform and prescriptive minimum standards, is appropriate.

APAM continues to support holding third parties (rather than the airport operator) accountable for security breaches and is heartened that this appears to be DOTARS' intention. However, as yet this is not happening.

APAM supports strengthening the Aviation Security Identification Card regime, in particular the introduction of centralised background checking and fit and proper person testing.

**The Government has allowed ASIC cards to be issued by a number of authorities. This has led to blurred responsibilities. A single coordinating entity is needed to police the effectiveness of ASICS, this should be DOTARS.**

Significant improvement to the resourcing of the DOTARS Aviation Security Branch has seen the implementation of the more comprehensive system of compliance monitoring that was foreshadowed in our previous submission. However, there needs to be greater emphasis placed on the review of security systems at airports to provide some much needed context to the reporting of audit results.

Due to the threat to airports, particularly major airports, by serious and organised crime, it is recommended that DOTARS takes a lead role in ensuring aviation security consultative arrangements includes focus on policing issues with the appropriate involvement of control agencies.

APAM reiterates the point made in its previous submission, that DOTARS should take a lead role in managing public and media perceptions regarding security arrangements at Australian airports. Security arrangements and standards development at airports must be driven by the local risk context and public debate on security issues often requires a degree of perspective.

APAM continues to enjoy a constructive partnership with DOTARS and values its involvement in a number of DOTARS consultative forums.

### **3.2 Compliance with Commonwealth Security Requirements**

APAM has implemented a number of initiatives since its previous submission reflecting its commitment to comply with Commonwealth security requirements and continually enhance security outcomes.

APAM has developed and commenced implementation of a comprehensive Airport Security Audit Program which has significantly increased its oversight and monitoring activities in relation to security compliance.

Detailed audit criteria, frequency and process have been identified and documented for over thirty five aspects of airport security, reflecting the risk environment and potential security threats.

The Program represents a proactive approach to ensure the timely identification and, where appropriate, rectification of security issues and is proving to be a major contributor to an improved security culture. It is designed to complement the DOTARS system of compliance auditing and enhance communication between stakeholders. An additional senior resource (Airport Security Auditor / Inspector) has been appointed to manage the Program.

The DOTARS compliance auditing system concentrates on one off issues and, as previously mentioned, does not consider the effectiveness of systems which support aviation security. This needs to be addressed.

APAM has introduced 100% International Checked Bag Screening and random and continuous Domestic Checked Bag Screening well within the required timeframe and is on target to deliver 100% Domestic Checked Bag Screening. It is disappointing that other airports missed the deadline for international check bag screening.

Threat Image Projection has been introduced into the bag screening processes and more frequent and rigorous Systems Testing processes form part of the Security Audit Program.

A major review of the Access Control arrangements has been completed and another has been commenced. The completed review resulted in access being removed or reduced for 1500 people and a 60% reduction in terminal airside access points and a 40% reduction in perimeter gates.

A formal six monthly review process has been agreed with the Security Screening Contractor in regards to its performance. This includes specific KPIs that address compliance with DOTARS requirements, benchmarks for Systems Testing and TIP results, Occupational Health and Safety performance, maintaining agreed staffing levels and improvements in staff training.

The Security Awareness Training that is provided to all people with access to the Security Restricted Area has been enhanced.

Additional CCTV monitoring has been provided and an agreement with Customs has been reached to address CCTV planning and further system enhancement as well as the sharing of CCTV resources.

Melbourne Airport has initiated a Law Enforcement Liaison Group which meets monthly and comprises Melbourne Airport, Customs, Victoria Police, Australian Federal Police and Australian Federal Police Protective Service. Its purpose is to complement the Airport Security Committee and improve coordination and communication regarding crime and airport policing matters, data collection, sharing of resources and assisting in the implementation of new initiatives such as airside inspections.

Melbourne is fortunate in having a good working relationship with the Victorian Government who has consistently maintained a Police presence at the airport. APAM is currently working with Victoria Police regarding the proposed significant increase in police presence at the airport.

Consistent with recent Government requirements, APAM has introduced a process of airside inspection involving 100% inspection at the Airport's main vehicle access point and daily random inspections of people and vehicles at all other airside access points. The inspection process includes an ASIC check, ensuring appropriate grounds for airside entry as well as a search of people, vehicles, bags and other items.

A strategy has been developed for the significant enhancement of this process to encompass all persons, vehicles and items entering the airside. It is essential that airside inspection is mandated by DOTARS for a number of reasons, including to ensure consistency across the industry and enable effective compliance testing and auditing to be undertaken.

### **3.3 The Impact of Overseas Security Requirements**

As previously mentioned, APAM has introduced random inspections at all airside access points, including remote access gates. Airside inspection will evolve quickly and during this phase consideration must be given to overseas examples of best practice in this area.

Further, lessons can also be learnt in the way that crime, particularly organised crime, is managed. This includes data collection and analysis, regulatory support in regards to staff search and the clarification and coordination of the roles and responsibilities of the control agencies.

APAM has been subject to BAA peer reviews in regards to its security practices and has sought advice in regards to its longer term airside inspection strategy.

### **3.4 Costs of Security Upgrades**

The emergence of airside inspection regimes at airports has significant financial implications for the industry. The cost of developing and operating airside inspection points, both within the Terminal and at vehicle access gates, is enormous. Furthermore there are indirect costs to the industry from the implementation of airside inspection, with the degree of rigour applied to the process dictating the significance of the cost. DOTARS and the industry need to work together to develop an appropriate strategy for managing this additional cost.

**APAM believes additional costs for security should be borne by Government. The requirements for aviation security in Australia are inappropriately high compared with the level of threat and other Australian infrastructure. Aviation security is a national issue and the additional costs should be borne at least in part by the Commonwealth.**

In developing airside inspection regimes, the industry must be mindful of achieving the balance APAM referred to in its previous submission between the security outcome and the cost being passed on to the passenger.

APAM is looking at opportunities to better manage costs by sharing resources wherever possible. A clear opportunity has been realised in regards to the airport and Customs sharing CCTV coverage.

Managing the costs of security contractors can also realise considerable savings. Opportunities in this regard include ensuring health and safety and performance management policies and procedures are in place and complementing these by the establishment of agreed Key Performance Indicators addressing areas such as lost time injuries, overtime, etc.

### **3.5 Privacy Implications of Greater Security Measures**

The psyche of the Australian public will be against greater degrees of body search. Specific legislation will inevitably be required to implement the additional airside inspection regime.

As with the issue of cost that was discussed above, in its previous submission APAM highlighted the need for appropriate balance in assessing privacy implications against aviation security outcomes.

The current environment requires the scales to be tipped in favour of security outcomes with issues such as enhanced CCTV monitoring, background checking relating to the issuing of ASICs and airside inspection considered non-negotiable aspects of the overall security framework.

### **3.6 Opportunities to Enhance Security Measures Presented by Current and Emerging Technologies**

Since its previous submission, APAM has undertaken significant investment in latest model security equipment, including x-ray machines and walk through metal detectors. In addition, capital plans include the provision for equipment to be replaced or upgraded at appropriate intervals in the future. The benefits of this new equipment include greater reliability and lower alarm rates.

Industry working groups must continue to assess and consider new technology, with an immediate focus on identification and access control recommended.

APAM continues to express caution in regards to an over reliance on technological solutions and has focused heavily on the human aspects of security. Improved consultation with stakeholders, increased emphasis on training and development, the establishment of performance standards and a



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rigorous auditing and monitoring regime have achieved improved security outcomes and complemented new technology.

**4. MELBOURNE AIRPORT CONCLUSION**

Whilst a great deal has been achieved over the last year, the introduction and evolution of airside inspections will raise aviation security in Australia to a disproportionate level. Federal funding is required to assist the industry. Improvements to the coordination and cooperative working arrangements between Federal and State Agencies in the pursuit of national security and crime outcomes need to be implemented as a matter of urgency.

## **5. LAUNCESTON AIRPORT RESPONSE TO TERMS OF REFERENCE**

### **5.1 Regulation of Aviation Security by the Commonwealth Department of Transport and Regional Services**

The comments noted in the Melbourne Airport submission broadly apply to Launceston from a policy position and the requirement for specifically tailored Transport Security Programs, which reflect the local security risk context for individual airports, is appropriate.

Launceston Airport is currently involved in developing the risk assessment process which will support the fundamental basis of its Transport Security Program.

There is therefore concern that a range of measures currently being floated with regional airports by DOTARS do not appropriately reflect the specific risk profile for regional airports, or appear based on a particular threat assessment.

Rather the measures could be seen as politically expedient, required more to allay public perception regarding airport and aviation security than to generate true security outcomes.

In addition it would appear premature to introduce a blanket set of security measures when the individual risk assessments for each airport have not yet been finalised, and it is this tailored individual airport approach that underpins the new regulatory approach to airport security programs.

The suite of new measures currently under review with DOTARS may well suit application to the major ports and specific higher risk facilities, but would create operational and significant infrastructure costs at a number of regional airports, and indeed for their carriers. This is particularly important when the impacts have commercial implications with the competitiveness of local airports, particularly in Tasmania with four airports competing for market share.

As previously stated in the 2003 submission, it is important that 'real security' and 'political security' are sensibly addressed. The threat level is likely to be relatively low at regional airports and the security requirements should be commensurate with that threat level and risk profile. This means the costs will be kept to a reasonable level.

Any significant additional security requirements, such as installing security fencing right around Launceston Airport, introducing much more rigorous and manned access control facilities and continuous airside patrols has a significant cost. If this cost is passed on to the carriers and in turn their passengers, it quite possibly will see a significant rationalisation of services in regional Australia including Tasmania where, as mentioned, four airports serving a population of around 500,000 compete for market share.