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JOINT COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

Monday, 8 March 2004

Members: Senator Ferguson (*Chair*), Mr Brereton (*Deputy Chair*), Senators Bolkus, Cook, Eggleston, Chris Evans, Harradine, Hutchins, Johnston, Sandy Macdonald, Marshall, Payne and Stott Despoja, and Mr Baird, Mr Baldwin, Mr Beazley, Mr Bevis, Mr Byrne, Mr Edwards, Mr Laurie Ferguson, Mrs Gash, Mr Hawker, Mr Jull, Mr Lindsay, Mrs Moylan, Mr Nairn, Mr Price, Mr Prosser, Mr Scott, Mr Snowden, Mr Somlyay and Mr Cameron Thompson

Senators and members in attendance: Senators Eggleston, Ferguson, Johnston and Sandy Macdonald, and Mr Baird, Mr Byrne, Mrs Gash, Mr Hawker, Mr Jull, Mr Price, Mr Scott, Mr Snowden and Mr Cameron Thompson

Terms of reference for the inquiry:

Watching brief on the war on terrorism.

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Committee met at 10.04 a.m.**ASHTON, Mr Graham, National Manager, Counter Terrorism, Australian Federal Police****CARNELL, Mr Ian, Deputy Secretary, Criminal Justice and Security, Attorney-General's Department****METCALFE, Mr Andrew Edgar Francis, Deputy Secretary, Department of the Prime Minister and Cabinet****MURNANE, Ms Mary, Deputy Secretary, Department of Health and Ageing****TEMPLEMAN, Mr David Charles, Director-General, Emergency Management Australia****TYRIE, Mr Edwin, Executive Director, Protective Security Coordination Centre****DICKMAN, Ms Vicki Jane, Acting Assistant Secretary, Regional and Freight Security, Department of Transport and Regional Services****TONGUE, Mr Andrew Keith, First Assistant Secretary, Office of Transport Security, Department of Transport and Regional Services**

ACTING CHAIR (Mr Baird)—I would firstly like to apologise for the chairman, who has just landed at Canberra airport, so he will be with us shortly. In the interim we would like to proceed. This is the ninth and final hearing in a series of public hearings on Australia's preparedness to manage the consequences of a terrorist attack in Australia. The hearings are part of the committee's ongoing watching brief on Australia's involvement in the war on terrorism and related actions in response to terrorism. As we began our watching brief in May 2002, we viewed issues associated with Australia's commitment to the war on terrorism from the perspective of a world changed by the terrorism attacks in America on 11 September 2001.

This morning's hearings will focus on developments that have occurred since we last heard from the Commonwealth agencies on 9 December 2002 about their role in coordinating the immediate response to and managing the consequences of a terrorist attack. The committee will also take the opportunity to follow up on consequence management issues indicated to be of concern to the various states. We will be hearing from the Department of the Prime Minister and Cabinet, the Attorney-General's Department, the Australian Federal Police, the Protective Security Coordination Centre, Emergency Management Australia, the Department of Transport and Regional Services and the Department of Health and Ageing. The format for today's hearing is a roundtable discussion, but I would ask that all comments be made through the chair.

I must advise you that the proceedings here today are legal proceedings of the parliament and warrant the same respect which proceedings in the respective houses of parliament demand. Although the committee does not require you to give evidence on oath, you should be aware that this does not alter the importance of the occasion. A deliberate misleading of the committee may be regarded as a contempt of parliament. The committee, as you know, prefers all evidence to be given in public, but should you at any stage prefer to go in camera then you should let the

committee know. I now invite a representative of each agency to make a brief opening statement, after which we will proceed to questions and discussion.

Mr Metcalfe—Rather than each agency making a short statement, I will make a general statement and then we will be very happy to respond to any questions that the committee may have. As the acting chair indicated, agencies last appeared before this committee on 9 December 2002, shortly after the Bali bombings and shortly after the signature of an intergovernmental agreement on Australia's counter-terrorism arrangements. Much of our evidence at that time was about not only what had then been recent developments but also progress that had been made in counter-terrorism arrangements since September 2001.

The Prime Minister, the premiers and the chief ministers at that stage had recently signed the intergovernmental agreement. The National Counter-Terrorism Committee was established as a result of that agreement. That committee, which I chair, had held its first meeting just prior to our appearance here in December 2002, and it had just reported to the Council of Australian Governments on priority areas of work in relation to counter-terrorism preparedness. The Prime Minister had also recently announced at that stage, in addition to intelligence and border security capability enhancements, a further strengthening of coordination arrangements for counter-terrorism policy to bring coordination of policy issues into the Prime Minister's department.

What I would like to do is, firstly, talk about developments that have happened since December 2002 on the national agenda and the Commonwealth, state and territory government agenda, and then turn to some specific initiatives that have been undertaken by the federal government. As I indicated, the National Counter-Terrorism Committee is a key aspect of the intergovernmental agreement, and it affirms the importance of effective cooperation between jurisdictions within Australia on their approach to counter-terrorism. We have been very heartened by the positive statements about counter-terrorism arrangements made by the various state and territory jurisdictions in evidence to the committee during your hearings over the last year. It is recognition that counter-terrorism arrangements have improved at the national level, that relationships between the jurisdictions have been strengthened and that there is a level of comfort because the arrangements are flexible and developed in a highly consultative way. The National Counter-Terrorism Committee's substantial agenda is taken forward through twice-yearly meetings. But also it has an active program of executive meetings which occur between the two formal meetings. The executive committee of the Counter-Terrorism Committee has met on six occasions over the last year.

One of the key products of the committee has been the new National Counter-Terrorism Plan. We have copies here to table and to circulate to all members of the committee. The plan was developed in consultation with, and was agreed by, all Australian government jurisdictions and was launched by the Prime Minister in June last year. The new plan sets out our high-level strategy for preventing and dealing with acts of terrorism and takes account of the post September 2001 security environment and the outcomes of the April 2002 leaders summit. It relies upon strong cooperative, coordinated and consultative relationships among all jurisdictions and their agencies.

The plan incorporates provision for declaration of a national terrorist situation, which essentially means that broad policy coordination and control move to the Commonwealth in certain extreme situations. The plan provides for enhanced arrangements for sharing intelligence

and information between jurisdictions. It provides for enhanced arrangements for prevention and includes a new section on consequence management issues which was missing from the predecessor plan, the antiterrorism plan. The plan also provides for a four-level counter-terrorism alert system which allows for a more nuanced response at the higher levels of alert. Alert levels inform national preparation and planning and dictate levels of precaution and vigilance to minimise risk.

The plan will be updated as required and will be reviewed by the National Counter-Terrorism Committee at least every three years. The plan is supported by a more detailed and classified National Counter-Terrorism Plan handbook. I can show you that there is such a thing and I can show you its front cover. Essentially it goes into a lot more detail on the issues within the plan and sets out in more detail the roles and responsibilities of agencies in certain situations. The handbook is also a product of the National Counter-Terrorism Committee. It was developed in close consultation with all jurisdictions and was agreed by all jurisdictions. We believe it provides a contemporaneous and effective guide for prevention and response and for handling the consequences of any terrorism incident in Australia.

The issue of critical infrastructure protection is also one that the NCTC has dealt with extensively over its existence. The National Counter-Terrorism Plan relies heavily on cooperation between jurisdictions. For critical infrastructure protection, the cooperative approach extends to working with the largely private sector owners and operators of critical infrastructure. Since December 2002 the Australian government has been working in partnership to strengthen security arrangements, particularly in the area of transport security—which I will discuss shortly and on which Mr Tongue can provide more detail—and in relation to critical infrastructure protection more generally. In August 2003 the government established the Trusted Information Sharing Network, which involves all levels of government and the private sector. The Prime Minister recently announced that the Attorney-General will convene a ministerial forum with industry leaders to further strengthen the partnership that already exists.

Another aspect of our work is related to the review of hazardous materials. This review has been overseen by the Council of Australian Governments. It has been coordinated by the Department of the Prime Minister and Cabinet, and we are working very closely with the Queensland Department of the Premier and Cabinet in taking this work forward on behalf of all jurisdictions. The review has been split into four elements, dealing with four particular areas of hazardous materials: firstly, ammonium nitrate because of its history of terrorist use and its ready availability throughout Australia; secondly, other chemicals; thirdly, biological materials; and, fourthly, radiological materials.

The storage, handling, transport, availability and use of hazardous materials is an inherently complex issue. Some materials are already highly regulated. Others, including many common materials that are readily available, are partially regulated. Existing regulations differ between the various jurisdictions. Nearly all of the materials in question have legitimate uses, and any recommendations made to COAG have to balance security concerns against the need for legitimate use. Ammonium nitrate is being progressed ahead of the other aspects of the review. Extensive consultations have been undertaken with the states and territories. Consultations with industry took place last week—with manufacturers, transporters and users—and we expect that recommendations and advice will be going to governments in the near future.

Another feature of the work of the National Counter-Terrorism Committee has been the enhanced national counter-terrorism exercise program. Mr Tyrie from the PSCC can talk in more detail about that if the committee wishes.

In line with the commitment given at COAG in December 2002, the Australian government provided an additional \$15 million over four years to enhance the national counter-terrorism exercise program. There have been a number of exercises since then using contemporary scenarios—testing, in particular, crisis and consequent management arrangements. The first multi-jurisdictional exercise—the first exercise where it is envisaged that incidents occur in more than one state, codenamed Mercury 04—will be held later this month to test the full range of preventative, response and consequence management arrangements across four jurisdictions—the Northern Territory, South Australia, Victoria and Tasmania—as well as the work of the Australian government. Mercury 04 will also test working relationships between governments and private sector owners and operators of critical infrastructure, given their important role in managing and operating that infrastructure.

Secure communications has been another area of substantial enhancement at the national level. The Australian government committed \$25.3 million in the last budget to enhance secure communications between the Australian government and the states and territories. This is facilitating ongoing sharing of information and intelligence between jurisdictions and essentially is providing a far more robust secure network than we had previously.

Chemical, biological and radiological capability for state and territory police is another area of initiative. For their part, the states and territories have agreed to fund the CBR equipment purchases for their police first responders. The Australian government is coordinating the purchases to ensure interoperability of equipment. In addition, the Australian government committed \$17.8 million in the 2002 budget for CBR equipment for emergency first responders. Overall, there has been a significant contribution to the national CT arrangements by the Australian government and by the state and territory jurisdictions. Our assessment is that there is a much greater and stronger whole-of-government focus on and coordination of counter-terrorism issues in all jurisdictions.

I now move to initiatives at the Commonwealth level since we last saw you in December 2002. Outside the NCTC agenda, the Australian government has put in place a range of robust and comprehensive security measures covering all aspects of national security, including an Australian government commitment of over \$2 billion in additional funding on over 100 additional measures since 2001. Those measures were outlined in some detail by the Attorney-General in his statement to the House of Representatives on 19 February 2004. I would just like to briefly touch on some of them.

Firstly, I mention Australian government coordination arrangements. The National Security Division in the Department of the Prime Minister and Cabinet was established in July last year to foster coordination and a stronger whole-of-government policy focus for national security issues which flowed from the Prime Minister's statement in October 2002. The division also provides better policy support for the Prime Minister in his role as chairman of the national security committee of cabinet. The division reports to the secretary of the department through me as deputy secretary, and its work is closely integrated with our international division, which deals with foreign affairs matters, which also reports through me.

The national security division includes the science, engineering and technology unit established in August 2003 to coordinate and focus science, engineering and technology support for Australia's counter-terrorism needs. Broad policy coordination occurs through the Australian government counter-terrorism policy committee, which I chair. That committee brings together all Australian government departments and agencies with a role in national counter-terrorism arrangements. It goes beyond those core national security agencies such as the Australian Federal Police, ASIO and Defence and picks up agencies which one would think at first sight would not have a role in counter-terrorism but which in fact do—agencies such as the department of health, which is crucial in terms of bioterrorism issues and consequence management in the public health system; the Department of Agriculture, Fisheries and Forestry in relation to quarantine and bioterrorism issues; DOCITA from a communications perspective; and AUSTRAC, the Australian Transactions Analysis Centre, amongst others. I stress that, if we actually have an incident, operational coordination continues to occur through forums chaired by the Protective Security Coordination Centre.

Another initiative that has been taken since we last saw you is the national security campaign and the National Security Hotline. Between December 2002 and February last year the Australian government ran the national security information campaign to provide information and reassurance to the Australian community. It comprised electronic and print media advertising and an information booklet that was delivered to every household in Australia. Members of the committee may recall that the campaign followed on from a series of national alerts relating to non time specific information being provided that there may be a threat to Australian interests. Many people had been asking: 'What should I do? What does this mean for me?' The campaign was designed to provide information about our arrangements and the types of responses that are appropriate.

The booklet that was provided to every household, for example, provided guidance on what to do in an emergency and information on national preparedness to deal with terrorism issues. It also encouraged members of the public to contact the National Security Hotline to report anything that may be of concern or suspicious. Since the hotline was established in December 2002 it has received over 28,000 calls, letters and emails and about 15,000 of those have provided information about suspicious activity. Those have been referred on to the relevant police and security agencies for follow-up as appropriate.

Transport security remains a very strong focus for the Australian government. Following a comprehensive review of aviation security policy settings by the Secretary's Committee on National Security late last year the government decided to establish the Office of Transport Security in the Department of Transport and Regional Services. The objectives of the office are to work towards a transport system that is more secure against the threat of terrorism, and it includes a transport security operations centre to coordinate transport security issues, responses and changes to the nature and level of threat we may face.

At the same time the government introduced a range of further measures to enhance aviation security, at a cost to the government of \$93 million, with a particular focus on addressing concerns about regional aviation. This was not in response to any new or changed threat but rather designed to provide flexibility for quick adaptation should there be any changes in the nature of the threat. Mr Tongue is very happy to provide you with any further details you may wish to have on that issue.

Maritime security is also high on the government's agenda. The Maritime Security Act was passed by the parliament in November last year to implement Australia's obligations under the new International Maritime Organisation's international ship and port facility code, which comes into operation on 1 July this year. DOTARS is working closely with state and territory governments and port and ship owners and operators to implement those obligations.

Late last year the government announced the development of the new National Threat Assessment Centre to be hosted by ASIO. It will draw on expertise from a range of government agencies including AFP, ASIS, Defence Intelligence Organisation, DFAT, DOTARS and ONA. The objective is to have the best possible threat information and forewarnings of possible terrorist attacks both within Australia and against Australians or Australian interests overseas. The centre will operate on a 24 hours a day, seven days a week basis and will be fully operational next month. Threat assessments are provided to state and territory police as a matter of course. Joint counter-terrorism strike teams form an area where the AFP has been working closely with state and territory counterparts. The AFP has established joint strike teams in every jurisdiction, in cooperation with state and territory police forces.

In relation to Defence, additional funding was provided for the establishment of a second tactical assault group, which stands ready to respond to a terrorist incident on the east coast and complements TAG West located in Perth. The Incident Response Regiment was established in 2002 to respond to the potential terrorist use of chemical, biological or radiological materials and works in support of other national agencies. The government has also established the reserve response force, a short readiness capability in ADF reserve brigades in each state, to provide counter-terrorism operations and domestic security support.

International cooperation is key to our domestic efforts and plays a crucial part in our overall work to combat terrorism. Major initiatives in this area have been the appointment of an Ambassador for Counter-Terrorism to focus our international efforts, both in our region and with key allies. Agreements aimed at strengthening counter-terrorism cooperation have been signed with Indonesia, the Philippines, Malaysia, Thailand, Cambodia, Fiji, East Timor, India and Papua New Guinea. Tailored aid packages have been provided to Indonesia and the Philippines. Australian intelligence and law enforcement agencies are engaging more actively internationally. Cooperation between the AFP and Indonesian police in relation to the Bali bombing investigation has been particularly fruitful.

In light of the expanding role of the AFP overseas, the Prime Minister announced in February the creation of an AFP international deployment group to enable the strategic deployment of Australian police and support personnel undertaking peacekeeping operations, restoration of law and order missions and capacity building. The regional ministerial meeting on counter-terrorism was held in Bali in February this year, co-hosted by Australia and Indonesia, and its success underscored the growing cooperation between Australia and Indonesia on counter-terrorism issues. At that time, Mr Downer announced a contribution of over \$38 million to establish, with the Indonesian government, the Indonesian Centre for Law Enforcement Cooperation.

The measures I have described are just part of the government's counter-terrorism activity. There is much more detailed in the document that was tabled by the Attorney-General in parliament on 19 February. That said, one thing I want to assure you of is that there is no complacency on these issues on this side of the table. The arrangements that we have in place are

constantly under review to ensure that they remain appropriate to the threat environment. We work closely and collaboratively with our state and territory counterparts to ensure that they are aware of the arrangements and that they are working within their own systems. The arrangements are constantly being tested through the national counter-terrorism exercise program and the lessons learnt from these exercises are fed back into the arrangements. Above all, we seek to engender an environment where we constantly ask: are the existing arrangements adequate? Are existing measures necessary? Can we reasonably do more? We are very happy to answer any questions you may have.

CHAIR—Thanks, Mr Metcalfe. I apologise for being a few minutes late, and I thank Mr Baird for commencing the meeting. Do any of your colleagues wish to make any statements before we ask questions? Perhaps I could start off by saying to you that the terms of reference of this part of our inquiry, as part of our ongoing watching brief on the war on terrorism, were to look at the preparedness of the states to react and respond to any terrorist attack that might take place within the states, bearing in mind that when any incident occurs it is the responsibility of the states at first—in consultation with others, of course—to determine whether it is a criminal act or a terrorist act. The first reaction has to come from them. In general terms, we were pretty impressed with some of the work that has been done particularly in the last 14 or 15 months and were probably even more so since the Bali attack. From the beginning to the end of this inquiry, we have seen a continuing updating and a continuing improvement in their response.

I noticed you talked earlier about the possibility of incidents occurring not just in one state but simultaneously in other states. I would have thought that a more difficult scenario would be if there were more than one attack within one state itself. If you have them in different states, at least all the different state resources can go to each of those incidents. Within one state, if there were more than one attack, it would appear as though it would stretch the resources of that state without getting cooperation both federally and from other states. Would you like to comment on whether you have considered that scenario and on how well prepared you think both the states and the Commonwealth are to handle multiple incidents within a single state?

Mr Metcalfe—I might get Mr Tyrie to answer the question in more detail, because he has ongoing and direct responsibility for working with the state and territory police, but the very short answer to your question is yes. We obviously do contemplate there being the potential for more than one attack not only in different states but also in the same state. That is something we have built into exercise programs and into coordination and planning arrangements. The simple message is that we have been able to build up—and this comes after many years of cooperation but with intensity since the Olympics, and particularly since September 2001 and Bali—a truly national capability. The police commissioners work closely together and there are well established plans for backing up each other, were there to be a particular set of issues in one jurisdiction. The national coordination arrangements that involve the agencies here are designed to try and ensure that that works as smoothly as it possibly can.

Mr Tyrie—The forthcoming exercise tests the particular issue that you have raised. I do not want to give too much away about the scenarios that will be tested, but the two main states are Tasmania and the Northern Territory. There will be incidents which require, as the interoperable arrangements under the national counter-terrorism arrangements require, that they will be supported by other states and territories. We are testing not only multijurisdictional incidents but also incidents within the jurisdictions which require assistance to come from other states.

National counter-terrorism arrangements in this country are built in such a way that the states, the territories and the Commonwealth are capable of supporting each other no matter where there are incidents or whether there are multiple incidents around the country.

CHAIR—Going on from that, we were fairly impressed with the arrangements that were in place in the states and the relationship with the National Counter-Terrorism Committee. There were certainly no complaints that I can remember from any of states. They felt that there was tremendous cooperation between the federal body and their various state counterparts. It is fair to say that one of the issues that was raised was interoperability, particularly in the area of communications. If you are looking at maybe other states coming into in future programs, how satisfied are you that communications have sufficient interoperability? There are other things besides that but communications is the one that first comes to mind. Can you comment on that?

Mr Tyrie—Yes, I can. Interoperability is the basis, not just communications, of the national counter-terrorism arrangements. If you want me to deal with communications in particular—

CHAIR—What was raised more often than other things was the varying types of models of communications to be able to talk to each other.

Mr Metcalfe—We have a proud tradition of building railway gauges, and so part of our objective and part of the core of the national counter-terrorism arrangements is interoperability. There is a special fund that is funded by the Commonwealth which has been in place for many years that essentially enables the purchase of equipment to equip all jurisdictions with certain standard items so that, if they do need to work together, they are working together. It is fair to say that the issue of radio communications is an area where state jurisdictions have gone in different directions. I am sure it is for proper reasons associated with their own requirements and needs. We are very aware of that. One of the issues that we have been trying to work towards is: if some South Australian policemen need to go down to Tasmania at short notice to work together on an incident, how do we ensure that they can communicate with each other? We are conscious that that has been an issue and I think that we have probably got that one sorted out.

CHAIR—Have you got anything else you want to say?

Mr PRICE—Have you got it sorted out?

Mr Metcalfe—We are happy to tell you, yes, Mr Price.

Mr Tyrie—It will be tested by Tasmania and the Northern Territory, and South Australia and Victoria, as I mentioned, having to operate together. We have put arrangements in place. There is no doubt that radio communications has been a problem but, as Mr Metcalfe says, we have put in place short-term arrangements that fill the gap that was there—that is, the availability of radios to incoming state and territory police. There are wider issues being considered by governments, state and territory, to look at the radio communications issue which deals with encryption, technology availability, spectrum and things like that. It is beyond the NCTC to find a solution; that is more for government.

Mr PRICE—The problem is that interoperability is not patching. You are saying you can patch and get an interim solution. I would have thought interoperability is that every state and

territory radio communications system can work with every other state and territory communications system. When will that be able to be done?

Mr Metcalfe—We do not have news on that. At the end of the day—

Mr PRICE—That is the solution to the problem.

CHAIR—Hang on, Mr Price, let him answer the question.

Mr Metcalfe—I agree that that would be the optimal solution to the problem. Essentially, that would require each state and territory government agreeing to a common standard. The Police Ministers Council is working on issues relating to radio operability. It involves not only the police but also emergency services. I think I am correct in saying that, even within some jurisdictions, there are different issues of interoperability. That process, which relates to spectrum availability, types of equipment and so on, is being advanced at a broad level by the Police Ministers Council. There was a need for a patch, though. We were confronted with the situation that, although the high-end police capability—the tactical response group, the people who would be involved in managing an incident—had essentially common radio systems some years ago, the facility had been lost because of purchasing decisions undertaken by various state and territory governments. We have now returned to the situation where if an incident occurred in the jurisdiction then radios would be available for incoming police from other jurisdictions.

That is essentially being done in a couple of ways, either by each jurisdiction guaranteeing that it will have a whole range of spare radios so that people can pick them up as they walk into the jurisdiction and come under the operational control of the resident police commissioner or by—as has occurred in a couple of examples—the old interoperable common standard radios being pooled together, and they are available in the states that have not purchased additional handsets. I agree that the issue of interoperability of communications, particularly radio communications, is a significant matter. The Police Ministers Council is progressing that and from our perspective we are doing everything we can to encourage that. But I suspect it is a major aspiration to be able to return everyone to a fully interoperable system.

Mr PRICE—I agree with your latter point. Are we putting a priority on getting all the systems changed over? I accept that that will be a very costly thing, particularly for those jurisdictions which have made recent purchases. The dividend seems to me to be huge in having commonality.

Mr Metcalfe—I can advise that the Australasian Police Ministers Council has established a law enforcement security radio spectrum committee that is dealing with police and security services issues on radio interoperability and there is work under way. I do not have information as to when the end date is, and I certainly do not have information as to whether all jurisdictions have committed to what could be very costly exercises in relation to them. From our perspective, the circumstances where interoperability is most required—a crisis where a police commissioner gratefully accepts additional support from elsewhere—tends to be at the pretty high-focused, high-end need of things. We have now made arrangements to ensure that people can talk to each other in that situation. The issue of interoperability more generally is something that, where we possibly can, we will be working on with the states and territories to try to focus on nationally consistent standards.

One area that we are taking a lot of interest in at the moment is the new and emerging technology of geospatial data relating to the construction of cities: where the gas pipes will go, where the telephone lines will go, where the traffic lights will go, where the hospitals will go and whatever. A lot of that information is now becoming available and in fact can be used in an operational sense both from planning responses and in dealing with particular emergencies. The NCTC sees that as an area where increasingly our agencies will be wanting to work with each other. That is an area of emerging technology where, at the ground floor, we are hopefully trying to ensure that everyone agrees to some common standards. Again, we are not the only players in this field. There is the Australia-New Zealand Land Information Council and a whole range of other agencies. Geoscience Australia takes a lead role from the Australian government perspective. We are sitting in the middle trying to coordinate and to encourage but, at the end of the day, this is a cooperative arrangement. There is no one person in this country who can say, 'You must do this.' It requires agreement from a whole range of people and that is what we try to achieve.

Mr CAMERON THOMPSON—I would like to continue on the question of interoperability. Firstly, you said that each jurisdiction as an interim measure would have a number of spare radios. How many?

Mr Tyrie—Each jurisdiction will make available 30 radios. That is enough to fit the tactical assault groups from each state and territory. The NCTC has made radios available to Tasmania and the Northern Territory, who were the two regions deficient in those, so that they can meet the same obligation.

Mr CAMERON THOMPSON—I suppose you are about to test this in the exercise, but is 30 the maximum size of a contingent you could imagine moving from one state to another to respond?

Mr Tyrie—That is the contingent agreed on by the members of the National Counter-Terrorism Committee, which includes the deputy commissioners of the state and territory police forces.

Mr CAMERON THOMPSON—So from your perspective, is that sufficient?

Mr Tyrie—I think so.

Mr CAMERON THOMPSON—During an earlier hearing in Brisbane, we talked about fire hoses and the interoperability of fire hose connections. Has any further work been done on that? Up there we heard that they did not connect.

Mr Tyrie—I am not an expert on fire hoses so I will ask Mr Templeman to respond.

Mr Templeman—By way of a general comment—and I know you would have observed this in your deliberations—you do not necessarily need to underscore the role of emergency services and the way they have dealt with some of the responses to emergencies over the last two or three years, in particular their response to flood, fire et cetera. Communications is an issue which has been raised in many inquiry examinations following the recent fire issues, and I refer you to the report entitled *A nation charred: inquiry into the recent Australian bushfires*—the inquiry was

chaired by Mr Nairn. More recently, the release on 2 February of the COAG report on disaster relief and mitigation arrangement raises the issue of communications interoperability, and I believe it will be an issue for the bushfire inquiry.

There have been some longstanding issues about interconnectivity in relation to fire couplings and the use of adapters. That is fairly evident from the way in which fire crews from jurisdictions have gone in support of other agencies in a mutual aid capacity to work in circumstances such as the Victorian fires last year, as well as the New South Wales and ACT fires. It is not the problem that it used to be. Certainly, there are issues to be overcome in that area, which is a matter between the jurisdictions—the nine separate fire agencies within Australia working with each other. Similarly, there are some issues about communications. But the way in which those crews came together and worked in both an intra- and interconnected mutual aid capacity in the last three fire seasons is a credit to the way in which they performed and the way in which they have been able to communicate with one another.

Mr CAMERON THOMPSON—Have they applied the same contingency—for instance, having a set number of radios available?

Mr Templeman—The circumstance that Mr Tyrie is referring to is in relation to a specific counter-terrorism police response. There is no mandate in terms of the number of radios that are allocated. They operate within their system. It is a matter of ensuring that we have the right technical patch to synchronise radios between one jurisdiction and another.

Mr BAIRD—What has been learned from the various exercises that have been held in other states in terms of preparedness for counter-terrorism attacks? Have there been differences in the preparedness of the larger and smaller states?

Mr Tyrie—There are always jurisdictional issues which emerge during exercises, but we have a ‘lessons learned forum’ where we take the lessons learned from each exercise. We meet together, discuss those issues and build the responses to the next exercise. This forthcoming exercise is to test for the first time. That is what it is—it is a multijurisdictional exercise that we can learn from. That is the way the program works; we exercise, we learn from it and we build on that experience and knowledge right across the nation.

Mr BAIRD—What would you say are the new things you have learned during the past 12 months?

Mr Tyrie—I think that what we will test in this forthcoming exercise are those newer arrangements that have been put in place, such as the declaration of a national terrorist situation—which falls out of the intergovernmental agreement and is dealt with in the plan for the first time—where the Commonwealth will exercise broad strategy and policy arrangements should that happen.

Mr Metcalfe—I think that probably two significant changes have occurred over the last year or two. Firstly, the NCTC, unlike its predecessor body, has a specific responsibility relating to consequence management. That is an area into which we have put some effort, and increasingly that has been in exercises. So, rather than an incident culminating in the liberation of hostages or the recovery of a building or whatever, there will also be the testing of the fire and emergency

response and ultimately of the medical and hospital authorities through that. The second major change is that the previous funding for national counter-terrorism exercises was significant but it did not allow all jurisdictions to participate on a regular basis. Leading up to the Olympics, there had been a strong emphasis on New South Wales for obvious reasons.

One of the advantages that we have had more recently was an exercise—I think it was about a year ago—in Western Australia. The Northern Territory and Tasmania will be involved in a major exercise for the first time for quite a long a period of time. So that is enabling us to work more carefully with all the jurisdictions. A feature of this exercise will be incidents in Tasmania and the Northern Territory, where South Australia will be working in support of the Northern Territory, and Victoria will be working in support of Tasmania. So these issues of interoperability, communications and command and control will be tested in a way that they have not been tested before.

Mr BAIRD—Is there a difference in preparedness between the smaller and larger states?

Mr Metcalfe—I think it is inevitable that a state like New South Wales, with its size and resourcing—it has a much larger police force and a much larger fire brigade but, then again, it has much larger cities—has what you would regard as a greater capability. The smaller states and territories have less capability because of their size. What this is all about is ensuring that no-one is left alone and that the national arrangements can kick in at an early stage. Sitting behind that capability and that response is a national infrastructure relating to threat information and coordination; the resources of ASIO, the Federal Police and the Defence Department are a capability that everyone has sitting behind them. But were you to go to Tasmania or South Australia you would see fewer tactical police than you would in New South Wales, and there is a good reason for that. But they are available.

CHAIR—That does not mean they are any less ready to respond.

Mr Metcalfe—That is right.

CHAIR—If I remember rightly, when we first went to the Northern Territory we were very impressed with their readiness to respond, although they may not have had the overall capability. I think that was over 12 months ago.

Mr Metcalfe—One of the key developments that heads of government sought in the new arrangements was that counter-terrorism is no longer an issue that is solely the responsibility of the police forces; the commissioners of police have a critical role to play, but they are not the only people who have a role to play. There is an extension into consequence management issues but there are also some words we use a lot: whole of government. The National Counter-Terrorism Committee comprises representatives from both the Premiers' departments, at deputy secretary level, as well as the deputy police commissioner from each jurisdiction. So state governments are looking at this as more than just an issue of their police; they are looking at it from the perspective of how the whole government will contribute to these issues.

Mr JULL—I think that the last time we had a meeting like this I raised the issue of media management and the capacity of radio stations to undertake any sort of assistance during an

attack, particularly because of their computerisation and the rest of it. Have we made any advances on that?

Mr Templeman—The specific answer to your question would be that we have in part. Victoria recently signed a memorandum of understanding with the ABC in relation to having breaking capacity and wide-scale promulgation of messages to the community at the time of dealing with notification of any hazard. My understanding is that the states and territories are now individually pursuing a similar understanding with the ABC to get a similar sort of arrangement in place. You may recall that, on 9 December 2002, you spoke to me directly about this in the context of the capacity to access—to use your words—‘headbanger’ radio stations. I understand that that situation has not been overcome. But at least being able to access and use the ABC in a much broader way is certainly a very positive step.

Mr JULL—The reason that I raised the headbanger stations is that that is what the kids listen to. I think you are right. From the radio people I have spoken to in Queensland it would seem there is an absolute arrogance by the FM stations—that is, they do not want to know. A couple of the AM stations were pretty cooperative.

We have spoken about the coordination of emergency services. I want to talk about the capacity of hospitals. In light of some of the difficulties that came out in Bali, have we resolved those issues? What sort of coordination program do we have to make sure that, in the case of a mass attack, we can handle the situation?

Mr Metcalfe—Ms Murnane, Deputy Secretary, Department of Health and Ageing, is probably best able to answer that question.

Ms Murnane—Coordination is the key. You can plan for certain incidents but, generally speaking, surge is something that requires a national solution. Any sort of substantial incident, even if it is present in only one state, will require national coordination. I will go through how we are achieving that. Health ministers established a health disaster management policy committee, which I chair. That has senior representatives of the states, at either deputy secretary level or chief health officer level. The Chief Commonwealth Medical Officer is also on that committee.

That committee has two key roles. One role is to ensure that, in the event of any health emergency, whether it is a national catastrophe, an infectious disease that might be a threat—such as SARS or avian influenza—or a terrorist attack, the committee has a means of having an immediate teleconference and determining how the health response will take place. There are a number of expert committees that feed into that committee—and I will come to those later. The other key role of that committee is to establish, monitor and provide advice on health preparedness and on how deficits could be remedied. A big part of the way in which deficits will be remedied is by cooperation, by exchange and transfer of patients, equipment and experts and, to an extent, by improvisation.

In terms of specifics, the committee has undertaken an audit that provides us with information on the number of acute hospital beds there are in Australia, the number of ventilators there are in Australia, the number of isolation beds there are in Australia and the capacity of mortuary facilities within Australia. Those raw figures in themselves do not tell you a lot, but what they do

tell you—and Mr Metcalfe referred to this feature in relation to police and ambulance preparedness—is that, clearly, in the larger states you have more preparedness.

We are working towards a national solution, so we are looking at the logistics that would enable surge to be achieved wherever it is required, through the transfer of patients, expertise or staff. You are looking always at the capacity and volumes of staff. With burns, for example, you need a ratio of between one and two staff to every patient. So training of not only staff in the hospitals but also first responder staff for people who are suffering from burns, for example, is a key part of what the burns subcommittee of health ministers is doing. That burns subcommittee also reports through the committee that I chair. Since the beginning of 2002, there have been significant advances in terms of understanding the issues, an empirical fix on where we are now, and the establishment of good and efficient relationships and coordination between the Commonwealth and the states.

Mr JULL—I guess the ultimate question following that is: if there were a terrorist attack in a city like Brisbane tomorrow, and there were 300 or 400 burns cases, could we handle it?

Ms Murnane—I do not want to say a lot about specifics, but Brisbane by itself could not. There would be assistance coming, in a variety of forms, from other states. I should also say that we are looking at developing cooperation not only within Australia but outside Australia. New Zealand is represented on the high-level committee I referred to earlier. Particularly in relation to burns, we have had discussions with New Zealand about sharing and cooperation should an event arise in either country. There probably is not a lot of scope for transferring patients, but there is capacity for bringing expertise in—not only from New Zealand but from North America, the UK and Europe—and that is something that we are investigating.

Mr PRICE—What about vaccines and antidotes?

Ms Murnane—In the 2002 budget, the government provided funds for the development of a stockpile of vaccines, antivirals and chemical antidotes. We established that stockpile, and the contents of the stockpile will be transported to where they are required in the context of an event.

Senator EGGLESTON—There are a couple of issues I would like to raise. What legislative and procedural arrangements are in place to isolate or quarantine specific areas that have been subject to chemical and biological agents or a weapons attack? I would like you to comment on the current status of legislation in the states and territories to deal with such attacks, and also on the Commonwealth's arrangements and preparations to detect and then treat the effects of biological or chemical attacks.

Mr Metcalfe—I think that both Ms Murnane and Mr Templeman will probably have something to contribute to that answer.

Ms Murnane—In chemical attacks, decontamination is a front-order thing. Ensuring decontamination at both the site and at the receiving hospital is very important. South Australia held an exercise towards the end of last year, and they published the results of that exercise. They found that people who were contaminated did leave the site of the incident and actually enter the hospital. So one of the things we have to look at in the event of a chemical attack is maintaining, as far as possible, affected people at the site until they are decontaminated while

ensuring that the receiving hospital has what is called a demarcation between a hot zone and a cold zone. Some hospitals have very sophisticated decontamination equipment that they would set up outside the emergency department. I have seen that demonstrated in Sydney, for example. Mr Metcalfe referred before to preparations in Sydney for the Olympic Games, and that extended to health.

We are looking at different circumstances depending on whether a biological agent is infectious, as in the cases of smallpox, plague or even influenza, or is not infectious but still of enormous concern, as in the case of anthrax. The biggest challenge in some ways is posed by the most highly infectious agent, which is influenza. That is certainly more likely to occur naturally than through a terrorist attack, but we cannot rule out a terrorist attack. As I said before, one of the things we are looking at in our capability is the isolation or negative pressure beds that are currently available and the capacity to perhaps use decommissioned hospitals and other sites to create an isolation facility, should that be necessary.

CHAIR—What about the legislation side of things?

Mr Templeman—I will touch on that a little bit, after adding to what Ms Murnane said. In his opening statement Mr Metcalfe mentioned the 2002-03 budget provision of \$17.8 million for a chemical, biological and radiological enhancement program delivered by the federal government for each jurisdiction. The first phase of that occurred with the roll-out in the week ending 25 September last year and the delivery of a \$900,000 cache to each jurisdiction which included detection analysis of CBR agents equipment, personal protection for individuals involved in CBR incidents and general CBR support. That package included \$8.5 million worth of equipment and it is already starting to be used in both training and readiness arrangements within the fire, ambulance and health services. It is equipment that is used by all people involved in first response.

At the moment we are in the process of acquiring the next phase of that, which will be the delivery this year of the decontamination systems to each jurisdiction. That should be in place by the end of May. That is a roll-out of a mass casualty decontamination system for each jurisdiction, both for use in the hot zone and cold zone, as Ms Murnane indicated. That equipment will total about \$5.89 million worth of equipment to be rolled out this year. Other ancillary equipment to be procured includes equipment to assist in the extrication of non-ambulatory casualties, plume modelling, software, hardware, nerve agent antidote and other items to assist the clinical management of casualties.

Going to the question of legislation: all jurisdictions bar Western Australia—which I think is about to proclaim its own—has emergency management legislation which enables the jurisdiction to take fairly significant steps to deal with the population in terms of isolating specific areas to deal with the nature of a hazard, including quarantine-specific arrangements and the like. Ms Murnane may want to add a little bit more about our experience more recently when considering further quarantine arrangements in the context of SARS and avian flu, but at the moment there is no Commonwealth legislation as such to deal with an incident such as the one you are raising. Ms Murnane may want to add more in relation to the SARS experience.

Senator EGGLESTON—A chemical attack would surely involve the most number of people of any terrorism incident. I wonder if we have a mechanism to deal with very large numbers of casualties or affected people.

Mr Metcalfe—From a legislative point of view, or more generally?

Senator EGGLESTON—You would need special legislation to deal with huge numbers of affected people.

Mr Metcalfe—I am aware that the states and territories are acutely conscious of this issue. Essentially it is something where state or territory legislation would be required to establish quarantine zones or no-go zones. I do not think we have any specific information about the state of that legislation jurisdiction by jurisdiction, but it is not something that has been raised with us in the national sense as an area of concern. As we are aware that there is considerable thinking about appropriate legislative arrangements in each state and territory, we have enabled a sharing of information between states and territories as part of the work of the National Counter-Terrorism Committee so that lessons learnt or ideas can be shared freely amongst people. While I certainly think it is an issue that each state and territory would have made appropriate legislative arrangements, we do not have specific information.

Senator EGGLESTON—Thank you for that answer. The other issue that I wondered about was terrorist attacks in the more remote parts of Australia, not the capital cities. For example, I had in mind the North West Shelf and around Karratha and Dampier. Are we satisfied that there is a plan in place and coordination in place between state and Commonwealth authorities to deal with that kind of possibility—a terrorist attack in a fairly isolated part of Australia?

Mr Metcalfe—The answer is yes. It is the sort of thing that we will increasingly be testing as part of our exercise program. Without giving away all of the stuff that we will hear about in a couple of weeks, that is an area that will be tested, because we are acutely conscious of the economic importance of the offshore oil and gas industry of the North West Shelf and the Timor Gap. It is probably the best example of where work has been done by Commonwealth agencies, state agencies and industry in relation to developing mechanisms for the alerts, preparedness plans and responses. Having said that, geography is a factor in this. The fact is that they are in extremely remote areas and, in the case of some of the oil and gas installations, offshore, so part of the planning and part of the response takes into account the significant distances involved and the relatively small population in those areas. But it is an area that we have been focused on and will continue to focus on strongly.

Mr BRUCE SCOTT—My question follows on from Senator Eggleston's question about biological attack. After Bali and 9-11 the world has changed in terms of predicting where terrorists might strike and how they might strike. One of the interests I have is: what sort of work is being done in planning and coordination in terms of our livestock industry? To attack the Australian economy's agricultural sector would be to release foot-and-mouth virus or an avian flu. Have you thought about it?

Mr Metcalfe—Yes.

Mr BRUCE SCOTT—I did not notice a plan involving the Department of Agriculture, Fisheries and Forestry in any of the reports here. I just wondered why. Firstly, has there been any planning? Secondly, agricultural departments anywhere do not seem to be mentioned. Thirdly, given that we could possibly see that sort of virus released into remote parts of Australia, what sort of work is being done to identify stock movements and to quarantine to those areas?

Mr Metcalfe—I could probably spend a couple of hours giving you a response.

CHAIR—Please don't.

Mr Metcalfe—In summary, there are several layers to what you have said. Our national counter-terrorism preparedness exists regardless of the type of threat. One of the key things that has happened, as you have noted, particularly since September 11, has been a development in thinking that terrorist attacks will no longer simply be siege hostage situations, airline hijacks or even large bombs. The word asymmetric is something that we use a lot, and it is the unpredictable. The resources of ASIO and ASIO's liaison partnerships in the broader intelligence world globally are essential in informing the sorts of things we are preparing for. But the point I made at the outset this morning is that we keep asking ourselves: are we doing enough? You are right; the plan does not mention the department of agriculture. The plan is a living document and it will be updated on a regular basis and the Department of Agriculture, Fisheries and Forestry will be there next time.

Mr Carnell—Can I just add that it is in the handbook. We have missed it in the high-level document, but it is certainly covered in the handbook.

Mr BRUCE SCOTT—Maybe I am just very observant on a Monday morning.

Mr Metcalfe—'We have the handbook and you do not' is the answer. The handbook is the classified, more secure document. In relation to the handbook, essentially work flowed following the finalisation of the plan and it did bring in agriculture and the potential for biological terrorism. The department of health and the department of agriculture both sit on the high-level policy committee that I chair—the Australian Government Counter-Terrorism Policy Committee—because of the very reasons that you have indicated. You will probably recall Exercise Minotaur from a couple of years ago, which talked about a foot-and-mouth outbreak and exercised national capability in relation to that. Can I provide you with the reassurance that we are thinking about the potential for that type of terrorism, and the national counter-terrorism arrangements are working in relation to that type of threat just as much as any other type of threat. The Chief Veterinary Officer from the department of agriculture is a member of the policy committee, and there is close work done with state and territory governments in relation to the potential for that form of terrorism as well.

Mr BRUCE SCOTT—In terms of tracking the movement of livestock, one of the first things we saw with the foot-and-mouth outbreak in the United Kingdom was the government's ability to quarantine areas and close them down. What sorts of logistic methods have you identified for Australia? Are you tracking where livestock have moved?

Mr Metcalfe—I do not have detailed information about that. I certainly would look to colleagues from the department of agriculture to answer that. They are not here today, but I am

very confident they have worked through those issues. We would turn to them for advice were we to deal with such an issue. Ms Murnane earlier talked about the fact that a biological threat can, in many ways, be more difficult to deal with than a chemical attack because it may present itself in different places at different times, and the potential for people or animals to move around throws an additional level of complexity into it.

Mr BRUCE SCOTT—Can I put that on notice so that I can get a response from the department?

Mr Metcalfe—I would be very happy to take that on notice and I will ask for information from AFFA.

Mr BRUCE SCOTT—Other questions flow from that: the cost of livestock, identification of movement, who is going to bear the costs of compensation and all those things.

Mr Metcalfe—I am happy to take the issue on notice, and if Mr Scott had some supplementary issues—

CHAIR—If you would like to put down extra issues that you want to be responded to—

Mr BRUCE SCOTT—I will just put it on notice.

Mr BYRNE—I have some questions about aviation security. I want to get a clear delineation about the role of the APS and its interoperability with the domestic security services. Can you give me a very quick outline of that?

Mr Tongue—The APS are our counter-terrorism first responders at the major airports. Their role really is to be present and visible; part of the deterrence factor with the APS is their visibility. If an incident occurs, their role is to respond immediately—that is, saturate the area and deal with the issues. But the APS are not police and the role of general community policing at airports—some of our airports are amongst the biggest shopping centres in the country—still rests with the state police. If a person needs to be arrested for some sort of misdemeanour, state police need to respond. One of the things that the Federal Police, APS, the department and the airports try to do is ensure fast response times by state police to incidents at airports.

Mr BYRNE—Does anyone in that airport, other than Vic Police or Federal Police, have any override on that APS officer? If that person is executing an apprehension and a person is apprehended, does anyone other than those you have just stated have the authority to then ask that that person be released?

Mr Ashton—Not that I am aware of.

Mr BYRNE—Can you take this on notice? A domestic terminal operator after a suspect had been apprehended by an APS officer demanded and forced the release of that suspect. I will give you further information. Can you explain why that person was apprehended? Can you explain why the airline's domestic terminal operator approached that APS officer? Can you ask why that operator demanded that the person that had been apprehended by the APS officer be released?

Mr Ashton—Certainly.

CHAIR—That would be done through the committee, so you would have to respond to the committee.

Mr BYRNE—Also, if exercises are being conducted by other agencies, are the APS informed? Qantas might run a terrorism response training session for its staff, or other agencies might be operating some sort of counter-terrorism exercise at an airport. Are APS staff told, given, as you say, that they are the first line of response?

Mr Tongue—It depends on the nature of the exercise. If it is a national counter-terrorism exercise involving the deployment of a number of agencies, yes. However, exercises are conducted covertly at airports and I can imagine a circumstance where the APS may not be told that an exercise is occurring.

Mr BYRNE—Do you think that potentially poses some threat? If an APS officer sees something that is untoward and moves towards apprehension, as is his or her brief, doesn't that put the APS officer in a bit of a difficult situation?

Mr Tongue—Part of the covert testing may involve testing the APS's response. It really depends on what it is we are out there testing.

Mr BYRNE—I understand that there was an exercise conducted by Vic Police and the Army. I presume it was in Melbourne airport. Could you ask whether or not the APS were informed and, if they were not, for the reasons why they were not informed that this exercise was undertaken? I understand it caused some concern to the agency involved. Do the APS understand that there are quite clear guidelines as to what they will and will not be informed about? The second part of the question is: could you have an exercise where an APS officer, given the nature of the exercise, might take some action that might endanger the physical health and wellbeing of the people who are part of the exercise?

Mr Tongue—One thing we are doing as a result of the review the government undertook through the secretary's committee on national security is putting in place some new governance arrangements at airports. At each airport we are forming a new committee of all the Commonwealth agencies represented at that airport. The funding for the package included funding for the Federal Police to put in place what they call their PSLO network, which is basically putting a senior police officer in charge of policing at airports—including of the APS, Immigration and Customs, us and so on. That governance mechanism was put in place to address the very issue that you are talking about and that we identified in the review, which is that we needed to improve our capability to coordinate. That process is occurring as we speak.

Mr BYRNE—I have one final question, and it is on baggage handling and baggage screening. I know this has been raised in other forums. Is there any screening of baggage handlers coming through airports?

Mr Tongue—The government has announced that we will reissue all the aviation security identity cards at airports, and we will do so on a two-yearly basis from now on. The deadline for the first reissue is the end of June this year. We are currently processing around 3,000 people a

week, and that involves the Federal Police, the department of immigration and ASIO. It sweeps up everybody with access to the airport, including baggage handlers. We have considerably enhanced our background-checking arrangements so that we are able to identify people of concern.

Mr BYRNE—If you had a situation where a baggage handler brought plastic explosives into the airport and then proceeded to load it into the cargo hold of a domestic plane, are there any procedures in place at the present time that could detect that and prevent it from happening?

Mr Tongue—I will answer part of that. I do not want to go into all of it, because it goes into some sensitive areas. We are currently deploying what we call check bag screening at airports. That is a process that enables luggage to be screened for a range of things, including explosives.

Mr BYRNE—Is that occurring as luggage is being loaded into the cargo hold? If you have an airport staff member—personnel—who has the intent expression of loading C4, or whatever, into a plane, do you have any mechanism that could detect or deter that individual at this point in time?

CHAIR—I will just intervene for one moment. We need to be a little bit careful about what sort of security arrangements we are inquiring into. We are in public hearing. We have had occasions during the inquiry to go into camera for sensitive issues, because I think we need to be careful what we put on the public record. Mr Tongue has to be very careful.

Mr BYRNE—Do we have the capacity to take the evidence in camera, if that presents a difficulty?

CHAIR—We always do that at the end.

Mr BYRNE—I ask that this evidence be taken in camera if it would alleviate that concern.

CHAIR—Yes. This is more a general or broad inquiry, but your questions have been very specific.

Mr BYRNE—I understand. But it also touches on Mr Metcalfe's point about threat assessment. I believe that it is my right and responsibility to ask those questions.

CHAIR—Certainly. But I think there are some things we are better off doing in camera. We will do that at the end.

Mr BYRNE—I agree to that.

Mr HAWKER—This question follows on from Bruce Scott's questions about livestock. Have you plans in place for the type of scenario where the weather conditions are unfavourable and an arsonist has made a coordinated attempt to start a series of bushfires?

Mr Metcalfe—I recall that we discussed this last time we met.

Mr HAWKER—Yes we did.

Mr Metcalfe—That was before the major bushfires occurred so close to Canberra. My answer is really the same as previously. The responsibility of police and fire agencies is linked in ultimately to the national coordination arrangements, together with access to ASIO or police intelligence cells. That machinery applies whether it is a bushfire, a biological concern, a plastic explosive or whatever. The machinery is generic, and it is designed to deal with all potential types of terrorist threat. You could not rule out the possibility of coordinated attempts to start bushfires or to do a range of things. Part of the reason that Mr Templeman, who runs Emergency Management Australia—an organisation which reaches down into the fire and emergency services networks around Australia—is within the Attorney-General's portfolio and works closely with Mr Tyrie, who essentially coordinates the police arrangements, is that their organisations are well integrated with ASIO and so on. That collection of responsibility is there to try and ensure that there is absolutely no loss of transparency around issues, regardless of what the threat might happen to be.

Mr HAWKER—I want to follow up what Mr Jull asked you. In your National Counter-Terrorism Plan, you mention at points 79 and 80 media management. This talks about how you set up to manage media coverage after an event. Let me illustrate my question by way of example. Before Christmas, in Portland in western Victoria, there was what I call an ecoterrorism stunt. Two or three people set about trying to disrupt live sheep exports by throwing some pig meat into a sheep-feeding trough. Because of very smart media work, they managed to magnify the impact dramatically of what was a very minor event. It is debatable whether the sheep ever even ate the pig meat. My question is: what sort of code of conduct are you developing with the media to try to manage what I call the media impact of these events? In this example, a handful of people—two or three of them—created something that got national media coverage and caused considerable damage to the industry, and could be translated into a terrorism situation in a similar way if media coverage were allowed to explode.

Mr Metcalfe—There is no specific work being done in the area of what you might regard as responsible reporting. The issues of responsible reporting and whether or not particular issues are given prominence are, ultimately, issues for the newspaper editors, and the government is not, as far as I am aware, undertaking any discussions with the media. Certainly, we seek people's good sense in relation to these issues. What we are talking about in the handbook, the plan, is a recognition of the potential for small issues to become large issues because they get blown out of proportion. If there were a major incident, there would be overwhelming interest for right and proper reasons. It is essential, in that sort of situation, that consistent messages are provided and that, where reassurance can be given, it is given; that people are looking to governments to take a leadership role and that leadership is provided. Within the Attorney-General's Department there is a media and public affairs area, which has a relationship with the various state and territory premiers departments' media cells. They work closely together in relation to that sort of issue. The question you are raising about something being either inappropriately or irresponsibly reported applies to many areas, not just this issue.

CHAIR—I can promise you I would not want to be drawing up terms of reference for an inquiry into media coverage.

Mr Metcalfe—I was going to make the comment that we try to do many things but there are some things that are unachievable.

Mr SNOWDON—Following on from Mr Scott's question, the issue of feral animals, as opposed to controlled stock, is something which we will need to have some information about, so could you take that on notice as well. I am thinking particularly of pigs. There are tens of millions of the things, and they are not easily herded.

I want to follow on from my colleague from Western Australia's questions about isolated areas and also on Anthony Byrne's questions. Airports in isolated communities are, potentially, particularly vulnerable. Although I understand your threat assessments may give you some indication of what you think is important or of priorities, what resource implications are there for ensuring that these airports are protected in the same way in which modern metropolitan airports are protected, even though they may not have a permanent police presence and certainly not APS presence? How do you guard against the potential for terrorist attack at one of those airports? And, on the question of offshore events—and I understand if you are unable to answer in the forum as it is currently constructed—I am interested in the assets that might be around the place to ensure timely response to an incident, say, on the North West Shelf or in the Timor Sea, bearing in mind that the location would require a particular form of transport and response from either the defence forces or state police.

Mr Metcalfe—I will take the second question first. If the committee wanted a more detailed briefing on that, I would probably seek to have the Department of Defence join us. In responding to Mr Snowdon's question, we would need input from the Department of Defence. Suffice it to say that in my earlier answer I made the point that the geography and transport issues are substantial in that part of the world; we recognise that.

In relation to your first question about security of smaller airports, I will ask Mr Tongue to comment in detail, but I repeat that the government did undertake a review of aviation security at the end of last year. Aviation is probably the most regulated industry that we have in relation to security issues. What prompted the government to have a further look at aviation security and to make a number of supplementary arrangements came from the fact that there is continuing advice that al-Qaeda, in particular, has something of an obsession with large, spectacular airborne terrorist attacks. We are all aware of the media reporting that occurred over Christmas of flights being cancelled from the United Kingdom and so on.

At the end of the day, with any industry, decisions have to be taken which balance risk and operational commonsense. Were you to apply the same security standards around the very small airports operating small general aviation aircraft that you did around the big airports with the jet passenger aircraft, essentially you would be making the decision to shut down a lot of regional aviation, because it would simply not be cost-effective. With all of these issues, risk, balance and a proportionate response have to occur. It was for that reason that the government further reviewed regional aviation security and made a series of decisions to augment that security. Mr Tongue can probably speak in a bit more detail about that and the specifics of the question.

Mr Tongue—In relation to remote airfields, in the enhanced package any airport that is receiving regular passenger transport, which I think in the Northern Territory might involve at least 14 fairly remote locations, will need to undertake a risk assessment with our assistance. We will need to put in place a security program, and the government has announced that it will fund up to 50 per cent of the work associated with that risk assessment and security program. In addition, the government has announced that it will pay for all of the larger propeller driven RPT

aircraft—that is, 30 seats or more—servicing those airports to have hardened cockpit doors, so we are putting in a layer of protection there.

More broadly, the government has announced that in relation to general aviation a lot of the GA type aircraft that use those small strips will need to have in place security mechanisms and the ability to secure the aircraft on the ground. It has also announced that we are going to background check, in the same way we are doing staff at major airports, the pilots of GA aircraft. We are putting in place a number of layers of security that affect those remote strips. There is then a question about the capability of people to fly in to those strips undetected, and that goes again to the capability of the Defence department. We would need them here to answer that in detail.

Mr SNOWDON—What is the cost of one of these assessments?

Mr Tongue—We are currently working with the Australian Airports Association, and we believe that we will be able to roll it out in such a way that, in most instances, people will be able to do it themselves. There will be a few instances, particularly at some of the remote Aboriginal communities, where we will need to provide some assistance. My hope is that it would not cost operators anything, unless they choose for their own reasons to go and get a consultant to assist them. We do not believe they will need to; we believe we will be able to provide them with sufficient guidance that they will be largely able to undertake it themselves.

Mr SNOWDON—In the case of these communities that you refer to, you believe that funding of 50 per cent will be sufficient? I am not conscious of the fact that many of these community have free and easy resources to be able to swing into a particularly costly exercise—if it is indeed costly.

Mr Tongue—The Prime Minister, as part of the package, wrote to all state premiers and chief ministers and asked for their support in meeting the other share of the 50 per cent.

Mr SNOWDON—So in the case of the Northern Territory, for example, you are expecting the Northern Territory government to pick up the other 50 per cent?

Mr Tongue—The government has certainly asked.

Mr SNOWDON—What if it cannot? What if it refuses?

Mr Tongue—Then we would be looking to the community and the airline operators to find the 50 per cent.

Mr SNOWDON—Do you think that is practical?

Mr Tongue—We are not expecting that the sorts of security measures that will end up needing to be put in place will be hugely expensive.

CHAIR—I do not think it is fair to ask the officer his opinion of whether it is fair. That is a government policy decision.

Mr SNOWDON—That is not what I asked. I asked whether it is practical.

CHAIR—Okay.

Mr Metcalfe—The government has made a decision in relation to the matter.

Mr SNOWDON—I put it the record that I am most concerned about that decision. I understand the impact on these small communities and, although the government might assume they have discretionary funds available, I do not think there are any valid expectations as to why the Northern Territory or even the Western Australian government should pick up that tab.

Mr Metcalfe—It is for that very reason that I made the comment at the beginning, in response to your question, that the threat assessment in relation to regional aviation non-jet aircraft does not lead to the conclusion that you should install perimeter security—

Mr SNOWDON—I appreciate that.

Mr Metcalfe—and screening devices at all those airports. There is nothing to indicate that that is reasonable. The government has said though that, similar to the US and Canada, we should extend down the requirement for strengthened cockpit doors—that is a key aspect as to whether or not a plane could be seized—to the Dash 8 and Saab type turboprop aircraft. The government has agreed to fund that so there will not be an impost on the communities or the passengers of those airlines. Beyond that, and bearing in mind the threat assessment, we thought that something was required, and that leads you to say that, in a low threat environment for those small aircraft, we should at least ensure that the people managing and running those airports understand security issues—

Mr SNOWDON—They do.

Mr Metcalfe—and have connections and mechanisms in place to be able to elevate their preparedness if required. This is about putting in some planning, but if circumstances were that intelligence took us to a changed threat assessment then at least you would want to know that the structure was there. If you needed to wheel in some resources, or if you needed to change the way things were done, at least you would want to know that the local policeman and the local airport operator had a connection with each other.

In those circumstances quite often you would know who is getting on the plane. It may be a friend of yours or someone you work with. That then throws you into the exception reporting capability. If a completely unusual person gets on the plane or someone seeks to rent an aircraft and it is all a bit unusual, that is where other mechanisms such as national security hotlines come in. This is about providing minimum security awareness in an area where it has not been before, where high-end security preparedness is required, where the Commonwealth has said, 'We'll pay half of this.' But regional aviation is a resource for states and territories as well as local communities, and they should meet some of the cost.

Mr SNOWDON—What about the question of the involvement of regional force surveillance units—NORFORCE and those sorts of organisations?

Mr Metcalfe—Defence is part of our overall national counter-terrorism arrangements, to the extent that they may have a role in some elements of this.

Mr Tongue—Each of the airports, in developing its security plan, will need to put together a security committee. Part of our guidance to the airports in the various regions will go to who needs to be represented. Clearly in the northern part of Australia, given its geography and remoteness, we would be looking to involve in an appropriate way all the possible Commonwealth resources. As Andrew has described, we have a good relationship with defence. Whenever we have asked them to participate in these exercises they have done so.

Mr PRICE—But that has not been done—

Mr Tongue—The package was announced at the end of last year. We are now in the process of rolling it out.

Mr PRICE—When will each airport security plan—

Mr Tongue—We are conducting, with the Australian Airports Association, a set of consultations around Australia. They will begin next week and take approximately six weeks to go to all the Australian Airports Association regions. We will be taking guidance material with us and starting people on the process of doing their risk assessments. We hope that the system will be built—that planning will be under way—by the middle of the year. Final plans, because some of the airports are in remote communities, might in some instances take a little longer to come in. The bigger regional airports will do this relatively quickly because some of them have already looked at their risk issues. I would not want to tell you when I will get the last plan in, but we are certainly under way.

Mr Ashton—Could we ask you to provide us with a list of the airports that will be required to do these plans?

Mr Tongue—Yes.

CHAIR—I think, Mr Metcalfe, if we have a look at the *Hansard* there may be a few questions that defence might be able to respond to.

Mr Metcalfe—Yes. Defence are not here today because—

CHAIR—I understand that.

Mr Metcalfe—We are very happy to take that on notice.

Mr PRICE—Perhaps this is the wrong question to start with but, Mr Metcalfe, you mentioned the newly created reserve response force. In your plan, because these are blended units, how long will they take to muster? How long will they take to be transported to the incident site? Are they being exercised in Mercury 04?

Mr Metcalfe—Can I take the first two elements of that on notice, because defence have the knowledge of those specific—

Mr PRICE—I have put those questions to defence and they cannot answer them.

Mr Metcalfe—I will see if I can help.

Mr PRICE—Thanks.

Mr Metcalfe—In relation to Mercury 04—

Mr Tyrrie—The ready reserve force in Victoria will be exercised during Mercury 04.

Mr PRICE—I think we should put on the record that the states and territories I met with as part of the committee said that the cooperation between the Commonwealth and the states and territories was very good. However, in Tasmania they were particularly keen to see an ASIO office restored to Tasmania, believing not that their relationship was bad but that because it was distant it was not as good now as it had been in the past. They said that, given our heightened level of counter-terrorist preparedness, that decision ought to be reviewed. Is there any review being undertaken with respect to re-establishing an ASIO office in Tasmania?

Mr Metcalfe—I will have to ask the Director-General of Security. I am aware that this issue has been around for some time and that ASIO have previously responded that they believe their arrangements, where Tasmania is covered from Melbourne, are appropriate to the current threat environment. Whether there is any further thinking in relation to that I will take on notice and ask ASIO to provide a response.

Mr PRICE—When we were taking in camera evidence from all the Commonwealth agencies, a suggestion was put to us—not by ASIO, I might say—about the need to build greater capability into ASIO. In your brief to us, you did not mention any extra spending for ASIO. I was wondering whether you wanted to cover that.

Mr Metcalfe—I mentioned the National Threat Assessment Centre—

Mr PRICE—I am sorry; you did. I mean apart from that.

Mr Metcalfe—which is hosted from ASIO, and from memory being funded by around \$50 million over four years, and which involves a number of other agencies as well. There have been funding decisions for ASIO in the last couple of budgets. The terrorist-tracking unit has been established. If you would like, I could easily supply the committee with the details of that.

Mr PRICE—I would be grateful if you could do that.

CHAIR—Mr Price, can I just caution you. If we are going to talk about evidence that was given in camera, I think we have to be very careful.

Mr PRICE—I thought I was being discreet.

CHAIR—You were being very careful. I do not know which road you are travelling on.

Mr PRICE—I think the next one is a roadblock! Mr Chair, there were issues raised about intelligence sharing and I am wondering whether they might be better put in camera. Could I give notice on that?

CHAIR—Yes.

Mr PRICE—When you talked about the \$93 million aviation regional security package, I take it you were referring to international flights? What do you mean when you say ‘regional’?

Mr Metcalfe—I mean regional as in outside the metropolitan areas within Australia.

Mr PRICE—Fair enough. There has been concern raised that, whilst we are doing everything at our airports—particularly in terms of international flights—we still may be vulnerable because of not such high standards in some other countries, particularly in the Pacific. Do you have any comment about that? Were there any developments in that area?

Mr Metcalfe—Mr Tongue will have more detail, but I agree with the comment. We are very conscious that terrorism is not simply something that is an issue within our borders; terrorism, most likely, will come from overseas, and one could never rule out the type of thing that you have just referred to. DOTARS has a program in place to work with countries in our region. Part of the broader work in relation to Pacific governance is relevant to the provision of appropriate capability of countries in our region, but Mr Tongue might be able to elaborate.

Mr Tongue—Part of the enhanced package included a number of measures for us to work with near neighbours. We are in the process of deploying people into the Philippines and Indonesia. We are also part of the deployment to Papua New Guinea and, in the context of Pacific governance, we are looking at deploying people out into the Pacific. Part of the focus of those people, in addition to working with our regional partners to enhance their capabilities, will be to look at the major airports. They will work with various Australian agencies to better inform our process of effectively allowing airlines to continue to operate into Australia right down to whether a particular flight should take off. It will take us some time. We have got some AusAID funding to work with our partners. It goes to equipment availability—what sort of technology is deployed—but it also goes to how that technology is used and the general security environment in and around some of those airports. In addition we work very closely with Qantas, which maintains a very significant security resource, and with its process of risk assessment to do with regional airports. That process is one of the top priorities in rolling out the enhanced aviation package.

Mr PRICE—An area that has not been raised this morning but is of concern is shipping port security. Mr Metcalfe did not cover it—unless I missed something—

Mr Metcalfe—I mentioned it very briefly.

Mr PRICE—Did you? I apologise then; I missed that. Can you tell us what is happening on that front and what changes have been made?

Mr Tongue—Australia is a party to a new security requirement developed by the International Maritime Organisation. By 1 July this year all ports internationally handling what we call

SOLAS sized vessels, which are basically vessels on international voyages, will need to have security plans in place, all the vessels will need to have security plans in place and each participating country will have to have arrangements to monitor the security of ports and ships in place. In Australia, the Maritime Transport Security Act was passed just before Christmas. We are currently in the process of assessing port security plans. We are responsible for assessing the plans of Australian flagships. As with aviation, we are also working with our regional partners—the Pacific Islands, Papua New Guinea, the Philippines and so on—on this. As shipping drains down out of those areas to Australia, we want to be in a position to make a judgement about those ships.

The international regime allows us to look back at the 10 previous port calls of any ship coming into an Australian port. For example, a ship that might have called at a compliant port in China but then calls at a non-compliant port somewhere in the region before arriving at, say, Brisbane or Sydney poses us with the question of what additional security measures we want to impose on that vessel when it is in port or transiting to port. Indeed, do we even want it to berth at the port? Some of those will be policy questions for government as the system is put in place, but we are currently working to ensure that all the Australian ports comply.

The issue for us is that the US has taken a particularly strong position on this issue. The US Coast Guard has made clear that it reserves the right to deny access to any of the 360 US ports that are covered under the regime to any vessel that has been to a non-compliant port or to any non-compliant vessel. For example, if a ship leaving Brisbane with chilled containers full of beef going to a west coast US port had happened to call, at one of its nine previous ports, at a noncompliant port it could find itself waiting for a couple of weeks on the US west coast. It could be boarded by armed men, the crew could be taken into custody and so on. Our issue is to make sure that all our ports comply and then to make damn sure that we protect our Australian interests in terms of exports both to the US and into western Europe.

Mr PRICE—I have two quick questions in relation to that. Because so many flag of convenience ships hire Ukrainian, Filipino and mixed staff at coolie wages, how are you able to check the security of the crew? Is there any checking of security of the crew? Again, in relation to an incident at a port, who does the threat assessment of port security?

Mr Tongue—The government changed the rules in relation to foreign crews. From 1 November last year, foreign crews must present their passport as a primary form of border control, which is a change to previous arrangements. In addition, we are working with the Customs Service, the Department of Immigration and Multicultural and Indigenous Affairs and some other Commonwealth agencies around what sort of control arrangements we would like on crews when they are in port. Because crews live on ships, we do not necessarily want to be in a position where we stop crew members who have legitimate needs to get off the ship and so on. But, at the same time, we want to control the risks.

We are also participating with the ILO and other nations in looking at the broader question of seafarer identity. It is a thorny question. Where ships trade up and down the Australian coast and they have foreign crews on them, under our new arrangements, the usual immigration controls will be imposed on the crew and, in addition, they will need to have a valid international ship security certificate. We will, on a risk basis, board the vessels and check that the requirements of

their security plan are in fact implemented and that we are satisfied that they are implemented in an appropriate way.

Mr PRICE—In assessing the vulnerability of the port itself?

Mr Tongue—We are working with ASIO on a broad maritime threat assessment. We have provided some material to ports in the nature of what we call a risk context statement, to allow them to undertake their planning. We have provided extensive guidance material to enable them to undertake a risk assessment of the port. That has underpinned the developments of the plan that we are now assessing. And it is not just ports; it is every port facility. So the stevedoring operation and the overseas passenger terminal have to, similarly, undertake a risk assessment and provide us a plan.

Mr PRICE—When will they provide you with the plan?

Mr Tongue—Our target is to have the plans approved as soon as possible—under the law, we have allowed 90 days—because we need to notify to the International Maritime Organisation, the compliant ports, port facilities and ships. In addition, we need to exercise with the ports, port facilities and ships for a period to ensure that the flow of information about ship security certificates, the level of security attached to a particular vessel and so on are appropriately notified both to ports and, if we need to take a decision on exercising our control powers, to us in such a way that on 1 July the system is up and going properly.

Mr CAMERON THOMPSON—Mr Metcalfe, in your introduction you made several comments in relation to ammonium nitrate and the handling of it. It brought to mind something that I had forgotten about which I had been meaning to follow up on. A few months ago there was some rather breathless media reporting about an explosion in Western Sydney. All the excitement about it was due to it being said that it was some kind of terrorist type device—which I took to mean that it may have involved ammonium nitrate or something like that. Can you shed some light on that? Was it ammonium nitrate? What was involved?

Mr Metcalfe—My understanding was that it was ammonium nitrate. I understand that charges are pending. I have not had a briefing on the issue, but it was not a terrorist incident. From what I understand, it was an individual who had something of a fascination with fireworks, obtained some ammonium nitrate and ignited it. Fortunately, it was done in a reasonably remote spot and no-one was injured. But it does underscore the issues associated with what is a reasonably readily available material which has a couple of very good purposes. It is a very good way to deliver nitrogen to the soil, and it is used as a fertiliser particularly in the horticultural industry. It is not a widespread fertiliser. Something that is not readily understood is that its primary use in Australia is as an explosive. The COAG review is working through issues such as whether it should be regulated by the state and territory explosives regulators as an explosive? Should the people who, for whatever reason, have access to it have some form of licensing or other control? Should people who have access to shot firers licences or people who have access to detonators undergo some sort of background checking? At this stage our conclusions are that governments will need to consider that range of issues. Following the consultation with industry we had last week, which was very productive, I anticipate that we will shortly be providing advice to the government—and, in turn, state and territory governments—for ministers to then make decisions on how it would proceed.

Essentially, the implementation of these issues is going to reside with the states and territories. Because it is the sort of issue that they would need to deal with. It is a widespread material, and it is manufactured and used quite extensively in a couple of states. We have had a look at international experience and at issues such as whether it can be modified or changed. The view is that it is not something that can be watered down, because it then reduces its utility for the purposes that it was actually developed for. We have undertaken a quite exhaustive piece of work. We had a look at international best practice—developments in Ireland, North America and elsewhere—and in a short time governments will be looking at what measures they may wish to take in relation to it.

Mr CAMERON THOMPSON—How much of the stuff is there in Australia?

Mr Metcalfe—My advice is that around 900,000 tonnes are produced in Australia each year. This is one of the real challenges. The answer to the problem of dual-use materials, which have legitimate uses but can be used for all the wrong reasons, is determining whether you can regulate the access and, if so, how. Governments have to work in an environment where threat assessments, security information and the work of ASIO, the police, the AFP and others, inform the type of response they make. Otherwise, you would never have any petrol circulating in the country. There are lots of things that are freely available and which are essential for our economy which, if used by the wrong sort of the person, can do harm. Therefore, while you may look at an appropriate regulation regime for that material, the starting point for counter-terrorism is about identifying the people who may use it inappropriately and how you work in relation to them. That is the fundamental underpinning of our work.

Mr BYRNE—My first question relates to critical infrastructure. Have we completed that review yet?

Mr Metcalfe—Which particular review is that?

Mr BYRNE—You were supposed to identify critical infrastructure targets. You were supposed to then have a management plan for that—if it was not government then private enterprise would do that. From the last time you appeared before us, I understood that there was some haste with respect to that being conducted.

Mr Metcalfe—Critical infrastructure is being taken forward through a variety of means. What I talked about last time was the initiative that has been undertaken by the government, working with the state governments and industry, relating to the Critical Infrastructure Advisory Council. That is what we call an all-hazards approach. It is not terrorism specific. It could relate to the deniability of critical infrastructure through industrial accident, natural disaster and whatever. Mr Carnell may be able to talk more about how that initiative is developing. It is a highly cooperative approach.

In addition, the National Counter-Terrorism Committee have done a couple of things, one of which I would be happy to talk about in camera and one which I can talk about publicly. What we provided to business at the beginning of last year were some principles for critical infrastructure protection. I think they are available on the national security web site. There is a common series of things which, if you run a facility, you should think about in relation to

protection, security measures and security plans. We have encouraged people wherever we can to adopt that as best practice.

I talked about critical infrastructure having a variety of initiatives. The reason I said that is that we have spent some time talking about port security and aviation security. They are examples of specific areas of infrastructure where there are some highly targeted and highly regulated areas under way. So there is some specific activity in relation to particular industries and there are some other initiatives which I will talk about later, but there is more general work with the business sector. Finally, the Prime Minister, in his recent speech to CEDA, announced that the Attorney-General would be convening a high-level forum with industry in the next few months. Critical infrastructure will clearly be part of those discussions.

Mr BYRNE—Thank you for that evidence. Could you respond to some concerns that have been raised by state agencies in the course of our hearing that some businesses have been very tardy in providing some sort of management plan and that the states are contemplating going down the path of legislation to ensure that that will happen. They were concerned, given some of the larger infrastructure areas and also critical tall buildings et cetera, that some of this stuff had not been done. Their concern was that they were going to have to legislate because of the tardiness of some of these businesses.

Mr Metcalfe—I am not surprised to hear that. I do not have any specific details, but our essential starting point is that this is a cooperative approach. Security is part of the requirement of doing business in this day and age. It is something that businesses owe to their customers and their shareholders. Significant parts of critical infrastructure are now in private hands, so these are business decisions. At the end of the day, if there is a lack of satisfaction about progress then it is open to governments to decide what they might do. The maritime and aviation sectors are examples of that.

Mr BYRNE—I will not mention the specific sort of activity that was being conducted by the business, but it was a critical infrastructure activity, and the state government or agency was very concerned that they had not actually undertaken it and that without a plan they were vulnerable. When do we get to the stage of having a coordinated review of these business plans? If we do not get it by a certain stage, are we going to have to go down the path of legislation because these particular targets are critical infrastructure projects?

Mr Metcalfe—I do not think we are at that stage yet, generally. I would not want to anticipate any decision that a government might make down the track as to whether it wanted to do something or not. But what I can say is that governments have made decisions in relation to particular industries or facilities. For example, in the last budget there was an additional sum of money for Lucas Heights, to strengthen its protective security. Depending upon the overall status of satisfaction and whether cooperation works, those options become available to you. I do not think we are there yet. Whether the states and territories have concerns about particular facilities is a matter for them to deal with, but we certainly prefer the path of cooperation. That is the way that we have been approaching this.

Mr BYRNE—Does it concern you, Mr Metcalfe, that these businesses, these people, have been tardy, given the threat environment at the present time? Particularly given that some of

these are energy generation activities, does it concern you, in your capacity, that these people have not advanced, notwithstanding their concerns about their shareholders?

Mr Metcalfe—As a general observation, I would expect that the owners and operators of significant pieces of infrastructure would have well-developed security plans; that is something you would assume as part of doing business well.

Mr BYRNE—Do we have evidence that they have done this, or not?

Mr Metcalfe—Certainly what I have heard from my state and territory colleagues is that many of them have. I think the national picture is probably variable. In recent years, some states have suffered significant energy problems. For example, there was the Longford disaster, which I think would mean that Victoria is probably more advanced than most in its thinking around these issues. I suspect that South Australia is probably having a good hard look at the situation as well. Beyond that, I think we would have to look at each of the facilities. I can talk a little more in camera.

CHAIR—I think it is fair to say—and I think the committee would probably agree—that, throughout the past 12 months, when we have been talking with the states, we have been very impressed with the updating and continual upgrading of their readiness to react and respond and with their cooperation with the Commonwealth; in general, we have been appreciative of that fact. There has been one nagging question that I have asked and which I am still not sure I know the answer to. In the event of an incident in a state, I have never been able to quite determine when it is decided, or who decides, that an incident moves away from being a domestic crime and becomes an act of terrorism. I am never quite sure who is the person that makes the actual decision. I know it has to be collective in some ways, but someone has to be responsible for saying, ‘This is no longer a crime’—it is no longer a petty bombing or a crime of burglary or something like that—‘we have an act of terrorism on our hands.’ Can you tell me when that is triggered?

Mr Metcalfe—Without being disrespectful, I think the answer is that it does not really matter.

CHAIR—I understand that; I am just wondering who makes that judgment.

Mr Metcalfe—It does not matter—in the sense that an act of terrorism is a crime and the plan makes it clear who is responsible for what elements of it. We have a working assumption in these areas that, if something unusual or significant happens, you assume it is terrorism until you rule it out—so it is the ‘rule out’ rule. That does not go to who is responsible. The police commissioner in each jurisdiction has clear responsibility for criminal acts that occur in that jurisdiction. If something highly unusual happens there is an assumption that it may be terrorist related, and there are very well structured coordination mechanisms to alert other authorities. The PSCC plays a vital role in being notified, and in notifying others, of the fact that there may be an incident which is of concern, and the machinery then starts to kick in. The machinery is detailed in the plan and, in more detail, in the handbook.

One thing that is new, as a result of the intergovernmental agreement, is provision for what we call a ‘national terrorist situation’. That, essentially, is an agreed situation in which the Prime Minister would seek an agreement with the Premier or Premiers concerned that it is in fact a

national issue and that the collective weight of the national response needs to occur, and broad strategy and control then move to the Commonwealth. However, operational responsibilities—who is responsible for the incident, the police chain of command and so on—remain in place. The plan, with its various diagrams, and the handbook, in more detail, set that out quite clearly.

One of the issues that we are keen to exercise is testing these arrangements against some situations so that, in terms of the very questions you ask about where, when and by whom the decision is made, we have a very clear idea of how it is going to work. It is a highly consultative response. The statutory responsibilities are clear—whether for the police commissioner or in relation to the call-out of the ADF or the appropriate responsibilities of ministers and, ultimately, of the Governor-General—but we think it is important that we exercise these things. So we have a pretty good idea of who is in charge: it is the police commissioner on the ground and, ultimately, from a national perspective it is the Prime Minister.

Mr PRICE—A state police commissioner says yes, it is—what happens then? Whom does he ring? How do we trigger the full national response that you talked about?

Mr Metcalfe—Paragraph 61 of the plan, and from there on, takes you through this. Ed is the person at the Commonwealth level who would be the essential coordination point at the beginning of this process so I will ask him to answer the question.

Mr Tyrie—It is clear that once an incident is identified as terrorism the police commissioner assumes control. The operational control in each one of the states and territories rests with the deputy commissioner of police, and the deputy and police and the Commonwealth through my organisation have well tested means of communication to respond from a whole-of-government perspective at both the Commonwealth and state level. That is the short answer to your question. The deputy commissioner would notify me or one of my incident coordinators, an officer at SES level. The PSCC watch office, which is a 24-by-seven centre, is in touch with the states and territories 24 hours a day and that is probably where immediate notification would come. I would have to say to you, though, that most incidents these days come to our notice from the media and the monitoring of media.

Mr PRICE—So you get notified and you start pressing some buttons. How does the Prime Minister get informed?

Mr Tyrie—Almost immediately from my office through Mr Metcalfe's office. There are procedures—

Mr Metcalfe—I would say that he would probably get told twice, once because PM&C is one of the first agencies contacted by the PSCC, and we would work through the PM's office to the Prime Minister. The Attorney-General has responsibility for the PSCC and, if it were a major issue, I am sure that the Attorney would ring the Prime Minister immediately. You cannot rule out that the Premier would be on the phone and that the media would be reporting it as well. But I would rather that people heard two or three times rather than not at all.

Mr PRICE—Absolutely.

CHAIR—I think that we had better draw to a conclusion at this point. Thank you very much.

Evidence was then taken in camera—

Committee adjourned at 12.28 p.m.