



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

**Reference: Further inquiry into aviation security in Australia**

THURSDAY, 21 JULY 2005

SYDNEY

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**JOINT STATUTORY COMMITTEE OF  
PUBLIC ACCOUNTS AND AUDIT**

**Thursday, 21 July 2005**

**Members:** Mr Baldwin (*Chair*), Ms Grierson (*Deputy Chair*), Senators Hogg, Humphries, Moore, Murray, Scullion and Watson and Mr Broadbent, Ms Burke, Miss Jackie Kelly, Ms King, Mr Laming, Mr Somlyay, Mr Tanner and Mr Ticehurst

**Members in attendance:** Senators Hogg and Moore and Mr Baldwin, Ms Grierson and Mr Ticehurst

**Terms of reference for the inquiry:**

To inquire into and report on:

Developments in aviation security since its June 2004 *Report 400: Review of Aviation Security in Australia*, with particular reference to:

- a) regulation of aviation security by the Commonwealth Department of Transport and Regional Services, and the Department's response to aviation security incidents since June 2004;
- b) compliance with Commonwealth security requirements by airport operators at major and regional airports;
- c) compliance with Commonwealth security requirements by airlines;
- d) the impact of overseas security requirements on Australian aviation security;
- e) cost imposts of security upgrades, particularly for regional airports;
- f) privacy implications of greater security measures;
- g) opportunities to enhance security measures presented by current and emerging technologies, including measures to combat identity fraud; and
- h) procedures for, and security of, baggage handling operations at international, domestic and regional airports, by both airlines and airports.

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**Committee met at 9.40 am**

**CHAIR (Mr Baldwin)**—The Joint Committee of Public Accounts and Audit will now commence taking evidence as provided for by the Public Accounts and Audit Committee Act 1951 for its inquiry into aviation security in Australia. I welcome everybody here this morning to the committee's first public hearing into the committee's review of developments in aviation security since the tabling of its Report 400, *Review of aviation security in Australia*. Report 400 was tabled in June 2004, but since this time a number of aviation security incidents have been reported in the media, such that the committee has considered it warranted to make further inquiries into this matter. I note most recently reports in the media just this weekend past refer to a security incident in the airport when the perimeter fence was breached without detection.

This morning we will begin by taking evidence from operators of the two airports in Sydney. Sydney Airport Corporation runs the busiest airport in Australia and Bankstown Airport is the major in general aviation and services the requirements of the Sydney metropolitan area. The evidence from airport operators will be followed by the Conference of Asia Pacific Express Carriers which comprises the four regulated air cargo agents—DHL, FedEx, UPS and TNT. This afternoon we will hear from two industry employee organisations—the Flight Attendants Association of Australia and the Transport Workers Union—as well as the head of the department of aviation at the University of New South Wales. The public hearing phase of the inquiry will continue with the committee planning to visit and take evidence at other major and regional airports around Australia.

I advise witnesses that the hearings today are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The evidence given today will be recorded by Hansard and will attract parliamentary privilege. Finally, I refer any members of the press who are present to a committee statement about broadcasting of proceedings. In particular, I draw the media's attention to the need to report fairly and accurately the proceedings of the committee. Copies of the committee's statement are available from the secretariat staff.

**GILMOUR, Rodney Charles, General Manager, Corporate Affairs and Human Resources, Sydney Airport Corporation Ltd**

**TOHOVAKA, Ms Lyn, Aviation Security Standards Manager, Sydney Airport Corporation Ltd**

**WOODS, Mr Grantley William, General Manager, Airport Operations, Sydney Airport Corporation Ltd**

**CHAIR**—I welcome the representatives from Sydney Airport Corporation to today's hearing. Do any representatives of the organisation present wish to make a brief opening statement before we proceed to questions?

**Mr Gilmour**—I would like to make a short statement. I welcome the opportunity to appear before your committee. We have provided the committee with a submission dated 11 July in response to the terms of reference for the current inquiry. The submission recognises the difficulties and issues in providing optimal security for aviation activities, and at the same time ensuring adequate community policing at airports. Problems have been identified and much work is being done to address these matters. As I know you are aware, the government announced further enhancements to the aviation security framework on 7 June 2005. Importantly, a coordinated effort involving all the participants—be they airlines, cargo operators, airports, security and government agencies—is contributing to improvements.

It is worth highlighting Australian aviation and, indeed, Sydney airport's excellent safety reputation. Sydney airport presents some unique challenges in maintaining this impressive record. It is an older airport, celebrating this year its 85th year of continued operation. It is also located centrally as an integral part of one of the world's great global cities. Recently, the issues raised by the media, specifically in relation to alleged security breaches at Sydney airport, have magnified the differences between providing greater protection of aviation against the action of terrorists and the measures implemented at airports in relation to community policing. The effectiveness of law enforcement agencies, the level of deliberate criminal activities, and the public's expectations to be protected against each have been highlighted.

Improvements to the management of crime and community policing at airports could be impacted by a number of options: firstly, increasing the scope and responsibilities of Australian Protective Service officers at airports; providing a permanent state police unit at Sydney airport; integrating the roles of state police and the APS; or providing the powers and authority for Australian Federal Police officers to be responsible for community based policing. It is expected that the newly announced role of the Australian Federal Police airport security controller will provide improved coordination in response to protective security and federal law enforcement agencies at airports. Additionally, we strongly support the strengthening of certain provisions such as the changes to the aviation security identification card fit and proper person test. However, the notion that passengers should pay extra for such improved protection, normally provided as part of government arrangements, is a major policy issue which does need further deliberation by both state and federal governments and industry participants.



The new government expectation for airside access will be labour intensive, intrusive to airport employees and will come with a large cost impost that will ultimately be passed on to the travelling public. While Sydney Airport Corporation accepts that protective and physical security measures are a reasonable cost of business operations, it does not accept the principle that the cost of policing and counter-terrorism first response arrangements should be classified similarly. The recent government announcement to increase the intensity of inspections for entry and exit to the airside is in direct response to the perception of criminal activities at airports. Once again, the government has chosen the aviation industry and ultimately the passenger to fund the counter-measures. This is inconsistent with the expectations of funding arrangements for the provision of policing.

Finally, we note that the Minister for Transport and Regional Services has announced an independent review by overseas security expert Sir John Wheeler. We look forward to contributing to his review. It is likely that the review will draw further distinctions between the airport policing and aviation security debate in terms of responsibility and interface coordination. My colleagues and I would be happy to answer any of the committee's questions.

**CHAIR**—Thank you very much, Mr Gilmour. Before we start asking questions today, we put you on notice that the time allocated for Sydney Airport Corporation by the secretariat was until 10.15; we do have other witnesses to hear from after that. We may not get through all of the questioning that we want to do today. We will reconvene in Sydney when we take evidence from other groups, such as Qantas. That will be at a later time. I do not want you to feel that we are going to rush through. The committee tends to be very, very detailed in its investigation, looking for answers. I would like to start with the issue of regulations and the ASIC. We thank you for providing yesterday's tour and inspection of all of the facilities at Sydney airport, both domestic and international, and particularly the baggage handling processes. In light of recent events and media reports, could you update the committee on what you have done to implement improvements or the planning you have in place to improve security aspects at Sydney airport?

**Mr Gilmour**—I might ask Mr Woods to answer that in detail, but of course we have been working very hard in the last few months to address some of those issues at Sydney airport.

**Mr Woods**—The issue of ASIC, and more particularly the background checking required to obtain an ASIC, has become more important. We have recognised that there are a couple of criteria under which we can issue ASICs that in fact are in conflict with what the public probably expect these days in terms of the probity of people working on the airport. We have undertaken a fairly extensive review. I will ask Lyn to detail that review.

**Ms Tohovaka**—We have recently reviewed all of our applications for the ASIC that we have on Sydney airport. We have selected a number that we have since then rejected.

**CHAIR**—How many people do you have with ASICs at Sydney airport?

**Ms Tohovaka**—Approximately 9,500.

**CHAIR**—In light of recent events, I understand that all of those were rechecked, is that correct?

**Ms Tohovaka**—That is right—the applications with adverse findings.

**CHAIR**—How many of those people that were rechecked came up as people of interest?

**Ms Tohovaka**—Approximately four.

**CHAIR**—What action was taken with those four?

**Ms Tohovaka**—We took the ASIC back. We basically cancelled the ASIC.

**Mr Gilmour**—If I can clarify: I think there were a greater number that we looked at and reviewed for which we received some form of adverse record when we carried out the original check. That would range from people with driving offences on their records through to more serious criminal matters. The ones that we particularly focused on in this review were those with any criminal background identified in the initial check. We went back and looked at those. Do you know how many of those we looked at?

**Ms Tohovaka**—There were a few hundred.

**Mr Gilmour**—I think hundreds were identified in that. We then obviously sifted out those that were fairly basic things, like driving offences, and went to those where there might be a longer history of criminal activity or relevant criminal activity. Of those, we then rejected and removed the authorities in relation to four people.

**Ms GRIERSON**—Was that under the fit and proper person test?

**Mr Gilmour**—Correct.

**Ms GRIERSON**—How did you apply that test?

**Mr Gilmour**—As I understand it—and my colleagues can confirm this—we were looking at the seriousness of the offence, when it occurred and whether there was any pattern involved. It was applying that test in a more rigorous way than had perhaps been applied when the application had first been made.

**CHAIR**—Could you provide to the committee—and I ask you this on notice—a tabulated matrix of the number of people, how many were raised initially as people of interest, whether they had driving records, and then those that finally had their ASIC removed from them, so that the committee can include that in its report?

**Mr Gilmour**—Certainly.

**CHAIR**—One of the things I have read in part of your submission and other submissions is actually the cost of processing an ASIC application. What is the cost of that process?

**Ms Tohovaka**—An ASIC at Sydney airport costs \$165. That amount is broken down into the actual administration and the ASIC itself. Sydney Airport Corporation have a \$50 bond which

we put on each ASIC. That makes up basically \$165 in total—so it is a \$50 bond plus the actual administration and production of the ASIC.

**CHAIR**—Regarding the background checks that you do, others have put forward in written submissions that there should be a centralised agency that provides all the ASIC checks, thereby reducing the privacy issues that small companies in particular may face when doing background checks on people. What are your thoughts on that?

**Mr Gilmour**—Perhaps I should go back one step and then come to it. When we said a moment ago that 9,500 ASICs were issued, they are the ones issued by Sydney Airport Corporation Ltd at Sydney airport. There are others issued by other issuing authorities, which goes to part of the question you are now asking, including Qantas, Virgin Blue, Menzies Aviation, Customs et cetera. As to the single agency approach, I think it is worth noting at the outset that in terms of the provision of the criminal activity information and the assessment, that comes from one agency obviously; then there are those various companies at Sydney airport which do the review of that information and issue the ASICs. There are not that many, am I right? Have I covered all those that issue? They are not small companies; they are significant companies that issue them.

**CHAIR**—Would it be possible for a person to apply for an ASIC under SACL and be refused, and then go to another company—Qantas for just a name—and then have that granted because their own internal mechanisms or review process may differ from that of SACL?

**Ms Tohovaka**—When we reject an ASIC, we have a requirement to notify the department of transport, and they hold a database on rejected ASICs.

**Mr Gilmour**—So if a person made an application elsewhere, that information would become available when the check was made centrally.

**CHAIR**—For what reasons would a person be refused an ASIC?

**Ms Tohovaka**—Under the regulations, there are strict guidelines on what sort of background will not be accepted for an ASIC holder.

**CHAIR**—Some of those are?

**Ms Tohovaka**—Aviation related offences, drug related offences, dishonesty, violence—just to name a few. It is quite detailed. It also has a spent convictions area where we can take certain backgrounds into consideration and others that we cannot.

**Mr Gilmour**—I think one of the areas of some contention was the spent convictions issue. Under the regulations as they previously stood, a spent conviction would mean potentially that somebody with a serious criminal offence which had occurred 20 years ago or whatever was required under the regulation to be discounted. The revised regulations allow us to take that into account now.

**Ms Tohovaka**—That is right. They have been tightened up in this latest set of regulations. What we have done with the recent assessment of all our ASIC applications has been to tighten it up even further, on top of what the regulations currently require.

**CHAIR**—When you say ‘we’, do you mean the whole of the industry or SACL?

**Ms Tohovaka**—SACL.

**CHAIR**—That brings me back to the question: are different people applying different standards to the issuing of an ASIC?

**Mr Woods**—Yes.

**Mr Gilmour**—The point we responded to was that if they had applied to us and been rejected then that information would be on the record and therefore somebody else looking at it would find that that person had applied for an ASIC and been rejected, even if they came to a different conclusion.

**CHAIR**—I can only assume that the ASIC regulations have a dispensation under the various discrimination acts, as I understand that you cannot discriminate against a person who has a past criminal record if they have paid their debt to society. Whereas, under an ASIC, from what you are saying to me, they are excluded from getting an airside pass?

**Mr Gilmour**—That is the significance of the fit and proper test as opposed to a strict regulatory approach. It is an issue with which I am fairly familiar. At one stage I was responsible for the regulation of the taxi industry in New South Wales, and legislative change that allowed us to consider a fit and proper test enabled us to take a very different approach in assessing taxi driver authority applications.

**CHAIR**—Returning to what I said earlier: do you think that there is a place for a single agency for the processing of ASICs so that the recommendation to all people that apply for them is either yes or no, thereby removing an individual company’s standards being applied on the provision of an ASIC?

**Mr Gilmour**—I think the simple answer is that there is no reason why it cannot be done by a single agency. I guess what we are saying is that we think that, by and large, the tests that are being applied should be able to be applied by a small number of agencies, and that should not be a problem either. But there is no problem with it being one authority.

**Mr Woods**—Can I just add that we are supporting a single agency for the assessment of the background and a consistency in terms of its application—yes or no; the person is right to be issued with a card. What is happening now is that the backgrounds are being provided to the organisations which then make that assessment, and therefore there is a possibility of inconsistency in its application.

**Mr Gilmour**—We are also sure that you will come across and address this issue as your inquiry progresses. It is not only the question of Sydney airport, of course; it is a national issue and that is obviously a matter that you will be considering.

**Ms GRIERSON**—Thank you for our tour yesterday where we saw all the ASICs in operation. I draw your attention to a statement in June this year by Andrew Tongue, the Executive Director of the Office of Transport Security, in which he admitted that Sydney airport was vulnerable to someone stealing an identity card and driving a truck onto the tarmac. Yesterday, you showed us there is no identity check. So you have your ASIC which has a photograph of a person on it. Why would Mr Tongue make that statement?

**Mr Gilmour**—I am not quite sure.

**Ms GRIERSON**—You would not think that is possible?

**Ms Tohovaka**—Our ASICs are held in a secure manner at all times. The ones that are produced are stored until collected and signed for. There is no ability, as far as I am aware, for anyone to take an ASIC and walk around.

**Mr Gilmour**—I think the suggestion is that an individual could have their ASIC stolen from their home or from their person; is that the suggestion?

**Ms GRIERSON**—Yes, that is right. Yesterday we saw that you scan it, but no-one actually checks the face or that the person is that person.

**Mr Gilmour**—If it were stolen, it would be reported—that person would be required to report that immediately. The moment that is reported, it would be cancelled from the system and it would therefore deny them the access that is being suggested.

**Ms GRIERSON**—It was also reported in June this year—and we can only go on media reports, we do not know their validity; but we, like the public, are informed often from the media first—that as many as one in five security screener staff at Sydney airport are bypassing the usually strict security clearances by using daily access passes obtained by simply presenting a driver's licence or some photo ID. How prevalent is that practice; is it possible, and does it continue?

**Mr Gilmour**—I think the first thing we would reject is the notion that one in five people are using that approach to somehow get around the arrangements. It is important to spell out quite clearly the day pass situation. A day pass is issued where somebody is required to come onto the airport either for visiting reasons or as part of contractual arrangements, and a company needs to bring that person on. At that time, when the day pass is issued, the company or contractor, or whoever it is that has responsibility for that person, has a responsibility to ensure that that person is properly supervised while they are on the airport.

**Ms GRIERSON**—So if you have a day pass you still have to be accompanied by someone with an ASIC?

**Mr Gilmour**—Absolutely. It gives you no automatic access via card to any areas. Yesterday the committee members went around the airport with visitor passes. These are essentially day passes. I am confident that you were accompanied at all times.

**Ms GRIERSON**—We were.

**Senator MOORE**—I am interested, as we talked yesterday, about the whole process of the discussion between Sydney Airport Corporation and the people as they get their ASICs and what process is gone through. First of all, you mentioned the term ‘tightening up’ in your previous comments. Does that mean that you were getting tougher, or you were just making administrative changes to the process? Because you said it a couple of times—‘we’ve tightened up’. What does that mean?

**Mr Gilmour**—Let us start with the getting of an ASIC.

**Senator MOORE**—Yes, I want one, so what do I have to do?

**Mr Gilmour**—I can talk about it because I had to get one fairly recently. One of the first things that happens is that you make an application. The application indicates that your details will be provided to law enforcement agencies. In my case, as I had lived in the United Kingdom for the past five years, I was required to write to Metropolitan Police and get the appropriate clearances from my time in the UK.

**Senator MOORE**—You had to do that personally?

**Mr Gilmour**—I had to do that. Until that came through, I would not be able to be issued with a full ASIC. I was issued with a security booklet with quite detailed information of what my obligations were, what the security requirements at Sydney airport were, what an ASIC was, how I could use it, and things like, as I said, if it were stolen, the reporting of it and what have you.

**Senator MOORE**—Can we get a copy of that?

**Mr Gilmour**—Yes.

**Senator MOORE**—I do not know how I forgot to ask that yesterday, but if we can see that—

**Mr Gilmour**—I think we did agree yesterday to provide that. It is a public document, obviously. Having done all that, I had to appear in person for a photo. I had to do a computer based test that answered 15 questions—it seemed to go on forever.

**Senator MOORE**—Is that based on the book?

**Mr Gilmour**—Yes, based on the book. I had to get 100 per cent. Given my position, I did considerable study to ensure that I did!

**CHAIR**—On that area, do other issuers of ASICs follow the same level of ASIC education to their people? Do other people charge a bond for an ASIC to ensure it comes back?

**Ms Tohovaka**—Both the bond and the testing that we do at Sydney Airport Corporation is specific to us. We have taken that above and beyond what the requirements are. Other states may do it; I think I have heard that other states were looking at it. We provided them with data and assisted them to set up, but at this point in time I am not sure whether any other issuing authority does that.

**CHAIR**—Just for clarification: even though other companies may process the ASIC, you are the issuing authority at Sydney airport for all ASICs?

**Ms Tohovaka**—No. We are one of four all-up that issue at Sydney airport. They are Customs, Qantas, Virgin and ourselves.

**CHAIR**—Is the face plate of the ASIC provided by all of those the same?

**Ms Tohovaka**—That is regulated.

**CHAIR**—Do you think it would be more streamlined and there would be better accountability if all of the ASICs were issued by one body for Sydney airport?

**Mr Gilmour**—I think we have answered that in the sense that there is no problem with that. I think the main thing is that there is some consistency in whatever is done. It is the assessment that is important. The physical issuing of it I do not think is the major concern. If there is a concern, it is about the assessment of it.

**CHAIR**—Do you have access to a common database of all people who are provided ASICs for Sydney airport?

**Ms Tohovaka**—No.

**CHAIR**—Why?

**Mr Gilmour**—If we need to, we can go to those other issuing authorities and get that information. It is not an integrated database, if that is the question, but we are not denied access in any way to the information.

**CHAIR**—Given that a Qantas employee with an ASIC—and I hate to single Qantas out but it is the name that probably comes to mind first and foremost—has access to certain doors or areas which are under the broad control of the airport management, how do you determine whether they are on or not on a database?

**Mr Gilmour**—We distinguish between the ASIC, which is the identification card, and the ability to provide access through terminals and gates and other areas on the airport.

**Mr Woods**—Using your example, if a Qantas employee were issued with an ASIC and they required access through the terminal or in some of the sensitive areas, they would come with a duly authorised application from their employer. We would then decide which access levels they would get and which gates—whether they be the security restricted areas, sterile areas or airside areas—and we would provide them with a second card that gives them access. The ASIC issued by the other organisation does not give access; it is just an identification that these people have passed a background check and meet the criteria.

**CHAIR**—Is that somewhat confusing—people walking around with a number of cards hanging around their neck?

**Mr Woods**—It is. However, various organisations such as Qantas have different access control systems within their domestic terminals, as we have in the international terminal. So they may issue a card and an access process for their domestic terminal, but it is different from ours.

**Senator MOORE**—I am back with my card.

**Mr Gilmour**—I got my card!

**Ms GRIERSON**—I hope so!

**Senator MOORE**—I am back with my would-be person. We talked about people who had a criminal history. I am interested to know what actually precludes someone from getting a card. You mentioned a couple of key headings, and I know the guidelines are there, but one of the things I am concerned about—and you mentioned it in your submission—is how community standards change and the expectations of the offences that would preclude someone. If someone had a conviction 20 years ago, would it be an automatic exclusion, or do you have some discretion in that?

**Mr Gilmour**—No, we have some discretion. The spent convictions provisions are state based as well, so there is a relatively complex bit of law that goes on in this. The issue of the fit and proper gives a broader test to be applied rather than related to just simply a specific offence.

**Senator MOORE**—Who determines the guidelines for what is fit and proper? This is always a vexed question but, for the Sydney Airport Corporation, how do you determine fit and proper, based on the evidence that the person has given you in good faith?

**Mr Gilmour**—We have used the guidelines as listed in the regulation in terms of the criteria. Since June, with the media focus, we have reviewed the cards and we are working with the department on a defined fit and proper person test. We have taken it probably a little bit further in terms of the review and the focus we have had. With the four that we have rejected in the past couple of months, we have probably gone beyond the current regulation in that assessment, but we think it was necessary.

**Senator MOORE**—Does the person have an appeal right?

**Mr Gilmour**—They do.

**Senator MOORE**—Is that back to the Sydney Airport Corporation?

**Mr Gilmour**—It would be.

**Mr Woods**—No, it is a formal appeal to the appeals tribunal.

**Senator MOORE**—You have to go through a legal process in terms of that. Finally, when you give yours back at the end of your period of employment—whatever you were employed for—but then you want to apply again, do you have to start from scratch?



**Ms Tohovaka**—It depends on the assessment and the length of time that you leave. For instance, an assessment is valid for two years.

**Senator MOORE**—And then you recheck them all?

**Ms Tohovaka**—That is right.

**Senator MOORE**—If I leave Sydney Airport Corporation and come back, do I have to go through the whole thing again as a would-be new employee?

**Mr Gilmour**—Yes. Senator, I missed one thing that I had to do in getting my ASIC test that I was reminded about; I actually had to prove my identity.

**Senator MOORE**—Just like getting a bank account?

**Mr Gilmour**—I think it was passport, driving licence, birth certificate—that sort of level.

**CHAIR**—An ASIC issued by Sydney airport, not necessarily your corporation but by Sydney airport—

**Mr Gilmour**—At Sydney airport?

**CHAIR**—At Sydney airport; does that allow a person then access to Brisbane or Melbourne or Perth?

**Ms Tohovaka**—If they are issued with an Australia-wide ASIC.

**CHAIR**—Is there an Australia-wide ASIC?

**Ms GRIERSON**—What proportion would be issued with that?

**Ms Tohovaka**—I do not know, I would have to take that on notice.

**Ms GRIERSON**—Would you all have an Australia-wide ASIC?

**Mr Woods**—No, we are very specific to Sydney airport.

**CHAIR**—If you could provide information to the committee on that, that would be of interest. Do you think it would be valid that all ASICs are Australia-wide?

**Mr Gilmour**—Yes. Can I just readdress that line of questioning. We have made a recommendation in relation to this issue in our submission—strengthening conditions under which ASICs are issued, including the development of the fit and proper person's test and centralising the assessment and approval of applications to an appropriate government department. If you do that, then probably you need to—

**CHAIR**—It is now 10.15 and we apologise for cutting you short. We have quite a considerable amount of additional information we wish to extract from Sydney Airport Corporation, and we will reconvene your evidence at a later date. You will be given ample notification. I also put you on notice that there will be some questions that will come out of our visit yesterday in relation to baggage handling areas and infrastructure that you are providing. You have given the committee a broad-ranging interest in what you do. We will have a meeting and assemble some questions—so, rather than put you on the spot when you come to give evidence next time, you will be better prepared. Thank you very much for your answers today. We will be in touch with you in due course.

[10.18 am]

**BAYNDRIAN, Mr Mario, Airport Compliance and Operations Manager, Bankstown Airport Ltd**

**ELLIS, Mr Kim, Chief Executive Officer, BAC Airports**

**CHAIR**—I welcome representatives from Bankstown Airport to today's hearing. I advise that the hearings today are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The evidence given today will be recorded by Hansard and will attract parliamentary privilege. Do you wish to make a brief opening statement before we proceed to questions?

**Mr Ellis**—Yes. We have submitted a specific submission. I just would like to give a quick opening brief on the contents of that and the context in which it falls. BAC Airports is the private company which owns and operates Bankstown and Camden airports and which operates Hoxton Park Airport. Only Bankstown Airport is a security designated airport in that context. Bankstown is a general aviation airport, so it is one of a category of airports that are at capital cities that operate flight training, freight charter and a range of other small to medium sized aircraft. That category of airports accounts for around one million aircraft movements annually in Australia, so it is a fairly significant element of the aviation industry. The airports are in a unique operating environment, and recent reports from the department of transport have highlighted the decline that is occurring in that sector of the industry. In fact, in the business sector of our side of the industry, there has been about a 20 per cent decline.

The key issues that we are facing, and which are highlighted in the submission, are firstly the current security regulations. Bankstown has been subject to a brand new security regime as part of the new aviation legislation and the subsequent regulations. The department has been particularly sensitive to the needs of that sector of the industry. The level of consultation that has occurred with the airports has been significantly improving over the past six months. There are still some areas that need to be picked up in that legislation, particularly in the communication with the operators in the industry. It is putting those in a context that it is the lower end of the industry. Many of these are almost subsistence companies, and the communication with them needs to be very accurate and very pinpoint.

The other significant issue in this part of the industry is the costs. There is not the ability in this level of the industry to absorb the security costs. Rather than thousands of passengers or thousands of tonnes of cargo, we are talking tens of passengers or tens of tonnes of cargo. The costs related to security cannot be as easily distributed amongst the operating costs of the industry. The capital expenditure that has been provided by the Commonwealth under its security regulations has been well received, but the sting in the tail, of course, are the very high and ongoing operating costs of running security, including the supporting elements of staff and information technology.

The other issue I would like to highlight is one of sharing of information. The private companies that operate these airports do not necessarily have the access to the intelligence information that highlights threats in security around Australia. In many cases, without threats highlighted to the airports, it is hard for us to take appropriate responsive action. I understand that the department is starting to address risks with a series of conferences around Australia. However, there are still large gaps in the level of information we receive from both state and federal organisations, and the technology that we have to receive, disseminate and process that information.

In summary, Bankstown Airport has a level of security that well exceeds the current requirements. We are being very well serviced, I think, by the department, but we represent a unique part of the aviation industry. I am happy to answer any questions.

**CHAIR**—Do you wish to add to that, Mr Bayndrian?

**Mr Bayndrian**—No.

**CHAIR**—I believe that you were here in our earlier discussions with Sydney Airport Corporation and in the area of ASICs?

**Mr Ellis**—That is correct.

**CHAIR**—I understand that there is not a requirement at Bankstown Airport for ASICs; is that correct?

**Mr Ellis**—No, the requirement for ASICs is largely driven by the conduct of regular passenger transport operations, and at Bankstown Airport we do not have any regular passenger transport operations.

**CHAIR**—Do you run charter flights out of Bankstown Airport?

**Mr Ellis**—Charter flights, freight and a range of other smaller aircraft.

**CHAIR**—I note that you stated on page 3 of your submission that it would make it unaffordable for people to have ASICs.

**Mr Ellis**—That is correct. The issue is the cost of the ASICs. In larger companies, such as Qantas or Virgin Blue and those sorts of organisations, the costs can be dispersed across the total operating costs of the company. For a charter company operating out of Bankstown, flying aircraft that seats six to 20 people, the cost of the ASIC becomes quite a significant element of their operating costs for that particular organisation. The other part of the cost, of course, is the cost for the airport itself in establishing an ASIC issuing activity on the airport.

**CHAIR**—How many planes per annum would fly from Bankstown to Sydney airport?

**Mr Bayndrian**—From Bankstown to Sydney it would be a very small number. I doubt that it would be more than 150 to 200, but we could take that on notice and give you an exact number.

**CHAIR**—That would be good. When a small aeroplane—as you say, a six to 22-seater—travels from Bankstown to perhaps another airport and then back to Sydney airport, how does the operator get on with an ASIC to be able to turn up at Sydney airport?

**Mr Bayndrian**—That is the issue that they are facing at the moment. The frustration with the GA industry is that if they do fly from Bankstown to any other RPT airport, they obviously will require an ASIC by 1 January next year. Therefore, they have to endeavour to get an ASIC from another authority—not from where they are based at Bankstown, because we are not an issuing authority.

**CHAIR**—It is unfortunate that we did not get time to explore this in detail with Sydney Airport Corporation, but if you were to take a small aeroplane—and it might be just a private owner flying their Cessna around and it ends up into Sydney—and the pilot does not have an ASIC, he is still able to gain airside access at Sydney airport?

**Mr Bayndrian**—When they land they are automatically at airside, but technically they cannot step outside that aircraft—if you wish to apply the law to the letter. They would need to have something in place with Sydney, and that is an issue that Sydney needs to resolve in terms of how they treat these people.

**CHAIR**—Would it be resolved that they would just stop the landing of small aircraft?

**Mr Bayndrian**—I do not know that you can do that. There may be a distress phase, an emergency situation where it is a matter of life or death.

**CHAIR**—In general aviation?

**Mr Bayndrian**—I think it is something that we need to take up with Sydney airport and the department on how they would—

**CHAIR**—Have you had discussions with Sydney airport about this—

**Mr Bayndrian**—Not at that level of detail, no.

**CHAIR**—as basically Sydney's second airport? I grew up around the corner from it. Isn't Bankstown Airport the largest small general aviation airport in the world?

**Mr Ellis**—No. Bankstown Airport was the busiest general aviation airport in Australia, but it is not any more. We are now second or third busiest. Our traffic has fallen by about 20 per cent over the last couple of years. Just to try to put a fine point on your question: if a pilot flies from Bankstown and does not have an ASIC and lands at Sydney airport, for whatever reason, he is directed to a specific area on Sydney airport. You would need to find out from Sydney airport how specifically they deal with pilots that get off those aircraft. There is a requirement by 1 January next year for pilots that are flying into those airports to get an ASIC. We hear from our pilots the frustration they are having in trying to get ASICs from other organisations, having to go to Sydney or those sorts of issuing authorities to get ASICs to be able to fly routinely into Sydney. My understanding would be that if it was an emergency situation and a pilot without an ASIC had to land at Sydney, the security organisations at Sydney would then take that on board.

**CHAIR**—I think emergency situations are a lot different. Given that there would be a lot of people that would fly from Bankstown to Coolangatta or Brisbane or Bankstown to Melbourne or Bankstown to other major airports, do you think that those people should have an ASIC before they embark on that travel?

**Mr Ellis**—Pilots that routinely fly to ASIC controlled airports will have to have an ASIC by 1 January. In fact, the vast majority of them already do; pilots that are flying freight, for example. We do a lot of freight at Bankstown Airport. Those aircraft will fly into other AISC controlled airports, and most of those will have an Australia-wide ASIC already issued. Those that do not will have to have it by 1 January next year. Private pilots who are flying to other airports generally do not fly into the major airports because of cost and congestion, and they use the network of general aviation airports like Bankstown. So they would fly into Moorabbin airport, Parafield, Archerfield and the full range of other airports that are affordable and accessible by those types of pilots.

**CHAIR**—With respect to the security issues, given that people that have ASICs have a background check, it may be possible that a person—and we will forget Sydney airport, but another major airport—who has not had a background check may fly a small aircraft with weapons into a major airport. Without having a background security check on that person, do you think that that opens up the field for possible contamination of sterile areas on airports?

**Mr Ellis**—Any airport has a broad mandate to allow any aircraft to land. Not only do we have a mandate, we do not really have the ability to stop an aircraft from landing. If an aircraft flies into Bankstown—and I cannot speak for Sydney, but I assume they are the same—the aircraft will land. Once it is on the ground, we then have a responsibility to determine if it is there for a fit and proper purpose. If an aircraft lands at any airport like Sydney, it would be up to them to have procedures to monitor that aircraft. What is on that aircraft is then another process as well.

**Mr TICEHURST**—With respect to security at Bankstown Airport, many years ago we used to be able to ride our pushbikes out there and walk across the fence and have access to the hangars or aircraft that were around on the landing areas. I guess sometime later I was flying out of there in lighter aircraft, where the access was through a different area, but again it was not through any particular security. What is the security level like today with respect to the perimeters of the airport and access to the airfield and hangars?

**Mr Bayndrian**—We obviously have the airside secured with a perimeter fence. We have controlled access points for vehicles and pedestrians. Some of them are controlled by access codes, so you need to know what the access code is, and they are changed on a regular basis. Industry participants, other people who share the airside-landside interface, have by September this year to submit their transport security program on how they are managing that aspect of their business, the airside-landside control. There is a general requirement under the new transport regulation act for that whole area to be regulated, tightened up and responsibility allocated to parties.

**Mr TICEHURST**—How would you handle contractors working on the airport? Say if you were changing security lights or some issue around the general aircraft holding areas or boundaries, how do you handle contractors?

**Mr Bayndrian**—They are our contractors and they are known to us, and we would issue a works permit where required. The works would be under the control of a works safety officer if it was close to the movement areas. Other large companies have identical type situations, especially the larger operators at Bankstown. It will be required under the Aviation Transport Security Act and the TSP for individual operators to monitor and control that specific requirement.

**Mr Ellis**—On Bankstown Airport, instead of ASIC, we have a photographic identity card. Unfortunately I did not bring mine in with me, but you are required to wear that while you are operating airside. They are issued to our staff and also all staff that operate on the airport. We have a visitor's pass program which meets both occupational health and safety and security access control requirements for people working on the airport, and routine security patrols are conducted throughout the day and into the evenings on all the airside operating areas. On the non-airside areas, we treat that as a normal commercial business park and it has public access.

**Mr TICEHURST**—Also in your submission you state that because Bankstown is a general aviation airport your risks are a lot lower than, say, major airports. Because there is such a lot of activity at Bankstown and it is in close proximity to the Sydney airport and also the city, where do you think that level of risk would vary, say, to an airport like Camden or even further regional airports?

**Mr Ellis**—We have just completed a significant risk based analysis, and that was part of the transport security program we have completed. That was reviewed by the department. We have also had risk assessments conducted by ASIO and by the New South Wales Police. These are off our own bat, just for us to try to assess our own levels of security. No-one has indicated any threat or any risk from terrorist or politically motivated violence on the airport. The threat risk that we have identified is one of theft; basically, a criminal risk. Our security is largely oriented towards that criminal risk, and also there is a safety risk that we have to look out for, such as people going into operating areas of the airport. There is some overlap in that which provides us an ability to look for politically motivated risks on the airport as well, but we have had none identified to us by any of the Commonwealth or state agencies—that there is any sort of threat or risk on the airport. Our response is based on the risk that we have assessed.

**Mr TICEHURST**—In your opening statement, you mentioned that you did not have access to intelligence from the likes of, I guess, ASIO and whatever. Do you see that as not being a requirement, that you really do not need that level of intelligence?

**Mr Ellis**—The point I was making was that if we do not have any access to it, we do not know whether we need it or not. We do not know whether there is a risk or not. We have a good relationship with the New South Wales Police. Mario chairs the airport security committee. We actually have the New South Wales Police commander from that area on the committee. We have had very high levels of cooperation from them, so we get informal advice from them at an intelligence level, but there is nothing formal. There are no protocols as yet. I do not know if there is a threat or not. If we get told about it, it is more, I think, that it had reached a significant enough level for us to become aware of it. However, there is no lead into it, there is no analysis of the area or of the threat that might affect security, aviation, the Sydney basin and that sort of thing.

**Mr TICEHURST**—Have you had any breaches of the security fence in recent times?

**Mr Bayndrian**—In the nine months or so that I have been there, the answer is no, not to my knowledge.

**Mr Ellis**—I have been there for three and a half years, and we have had one teenage boy who climbed over a fence taking a shortcut and got caught by a security guard. There is nothing else that indicates any other breach of our security perimeter.

**CHAIR**—How high is the security fence?

**Mr Bayndrian**—It is a good question, and I had that checked on the weekend. It varies between 1.9 and 2.4 metres.

**CHAIR**—When I lived around the corner from there, it was about three feet high.

**Mr Bayndrian**—No, let me assure you—and we will be improving a few thousand more metres of it soon.

**Ms GRIERSON**—In your submission you state that aviation security costs are a real issue for Bankstown. We have just seen Sydney Airport Corporation's profit figures today; what sort of profit did you realise in the last financial year?

**Mr Ellis**—We are not a public company, so we do not report our figures publicly. Just as an example, our revenue for the last financial year would be approximately \$14 million, and the business after its financial costs is not operating at a profit. I would rather not give any more details, but it gives you a pretty good idea.

**Ms GRIERSON**—But it does let us know what you are working on. As to the new regulations, have you quantified the cost implications for Bankstown?

**Mr Bayndrian**—We have done so in respect of the extra capital expenditure required. We have applied for the grants that are available for regional airports, and it all looks positive there. But then again, Bankstown Airport was in good shape before it, and the money involved is reasonably insignificant, I think, in the scheme of things. With regards to the other costs, it is more administrative, education, re-education of the industry, and improving some internal mechanisms; so there is that cost.

**Ms GRIERSON**—Can you give some idea, or provide us with some information at a later date, on the patterns of movements; how much of your movements are freight or charter and what are the regular routes that are being flown? Would you have that sort of information?

**Mr Bayndrian**—We will take it on notice. It will be with Airservices requirements.

**Ms GRIERSON**—Thank you. When you talked about your risk assessment, you said that the main risk identified was theft. Are we talking theft of aeroplanes? Is that identified as a risk? How difficult is that?



**Mr Ellis**—The aircraft are now all secured as part of the regulations, and that was a recommendation from our submission to the last security committee.

**Ms GRIERSON**—What do you mean by ‘secured’?

**Mr Ellis**—There is a range of securing devices, ranging from propeller locks to prevent the propeller being operated, throttle locks to prevent the throttle being used to start or operate the aircraft, wheel locks—

**Mr Bayndrian**—Door locks.

**Ms GRIERSON**—Are they mandatory?

**Mr Ellis**—Yes.

**Ms GRIERSON**—Who provides them—the owners of the planes?

**Mr Bayndrian**—No, the industry has to go out and purchase it.

**Mr Ellis**—The owner of the plane or the owner of the business has to go out and install these, and there is a range acceptable to the department. The department of transport has published quite a comprehensive list, giving very specific guidelines, and its officers have actually come out to the airport and inspected those and done random checks on aircraft. I think they have a program of doing that well into the future.

**Ms GRIERSON**—You said that you had consulted with ASIO and the Australian Federal Police in terms of their risk assessment. What did they suggest to you as to the risks that would interest them?

**Mr Ellis**—It was the New South Wales Police. It was ASIO and the New South Wales Police. ASIO were somewhat circumspect in their advice, but they basically said that the standard of security we had at the time met the threat of which they were aware. At that stage when they came out, we had these man-proof fences and controlled gates and that type of access control. The New South Wales Police were far more detailed, and they were specifically looking at criminal acts. They were looking at acts of theft or intentional damage, vandalism, that sort of thing, and they gave us advice specifically on how to counter those sorts of issues. They have a regular presence. They have a crime prevention officer who comes out regularly to the airport.

**Ms GRIERSON**—Are you aware of any incidents perhaps in the last 18 months that are about criminal activity through general aviation—smuggling or movement of prohibited goods in any way?

**Mr Ellis**—No. We do not monitor what comes in through the aircraft at the airport. The freight aircraft come in in the evenings and the freight is handled by Toll Logistics. We do not see what happens with those cartons, but it is principally parcel freight that comes in and out. The rest of it would be charter aircraft or training, and again, there is not much carried on those aircraft.

Just to answer an earlier section of that question about the type of criminal activities: in the three years I have been there, there have been a couple of cases of theft of fire extinguishers or radio or headsets, but clearly internal issues inside the industry. The most recent of those incidents was an aircraft that was broken into and moved to a different part of the taxiway to allow someone to get access. It was not an act of vandalism or crime; it was simply someone frustrated because someone was parked in the wrong place. I guess it was the equivalent to releasing a handbrake. The aircraft could not be started; they just undid the handbrake and pushed it out of the way, and that was reported to the department. I might add that the department took that extremely seriously, and I understand they are following it through as a security incident. So it tends to show that the processes are working.

**Ms GRIERSON**—What protocols have you had to put in place since the regulations have come into effect, and what will you still have to do?

**Mr Bayndrian**—It is really an education and awareness situation for the majority of the stakeholders at Bankstown. We have formed a security committee.

**Ms GRIERSON**—You do have a security committee?

**Mr Bayndrian**—Yes.

**Ms GRIERSON**—That is mandated?

**Mr Bayndrian**—That is correct. We have a good cross-section of the industry between fixed wing and rotary, some large players and a general industry representative, and of course ourselves and the local area commander from Bankstown. We are concentrating basically on engaging the industry. It is something we want to work closely with the Office of Transport Security with because we believe—

**Ms GRIERSON**—How much interaction have you had with DOTARS, the Office of Transport Security?

**Mr Bayndrian**—As an airport operator, we have had a good relationship and a good establishment, especially getting us through our own transport security program, in submitting and making sure that we meet their requirements.

**Ms GRIERSON**—Will you be subject to audit by them?

**Mr Bayndrian**—I would imagine they have the right to turn up at the airport at any time they wish.

**Ms GRIERSON**—But you have never had one at this stage?

**Mr Ellis**—We are still so early in the implementation of the regulation. We have been quite fortunate in New South Wales—and I mentioned this in my submission—that we have a couple of very experienced aviation operators in the security branch of the department here in New South Wales. I am not sure that every other state is as fortunate. The interface with the airport has been, I think, very good. The acting state director—whatever his title is—has been

particularly good in dealing with Bankstown. They have done the site visits and there is a good level of liaison. My concern—and I raised this in the submission—is that there needs to be a level of contact with the operators, because these are very small businesses. They do not necessarily have the same levels of process or due diligence or corporate governance that we would have in our company. They really need to be led by the hand through each of the regulations.

**Ms GRIERSON**—Is compliance very difficult with general aviation players?

**Mr Ellis**—Very difficult.

**Ms GRIERSON**—These rugged individuals of general aviation?

**Mr Bayndrian**—Very. You have some country larrikins, so to speak. We have a mixture of clients, from high level—

**Ms GRIERSON**—Are they aware of the compliance that they will have to meet?

**Mr Bayndrian**—That is a question we want to get answered. The larger players, the professional companies, who have the infrastructure and the skills are definitely aware. However, as we stated in our submission, at this stage only two of our, say, 65 airside-landside tenants have applied to sit under our transport security program. I would like to think the other 63 will write their own, but I just do not think that will be the outcome.

**Ms GRIERSON**—That is very worrying really. That number is very low. What about through pilot associations; are you having any interaction with the pilot associations to try to bring this group within the framework?

**Mr Bayndrian**—Not formal ones, no.

**Mr Ellis**—We have our own education program, but my answer to that would be that that needs to be an issue that the department takes up. We are not in a position to be able to take these guys through hand by hand.

**Senator MOORE**—Just following on from the last point raised by Ms Grierson: your submission actually puts the concerns about the lack of awareness and real understanding of the changes and recommends some actions that you would like to see. In terms of your interaction with the department, have you put these issues to the department about the need for training and awareness?

**Mr Bayndrian**—We have approached them on the odd occasion about having an airport—not presence, but a forum, for want of a better word—education process. We have offered to make a suitable time and venue and to promote the whole process.

**Senator MOORE**—And the response?

**Mr Bayndrian**—It has not occurred as yet.

**Senator HOGG**—Could I go back to the questioning about the security committee that you have established? What is the focus of that security committee?

**Mr Bayndrian**—I think the initial focus for the committee is to understand what the act and regulations mean to business, and then how we meet our obligations. Then to take it on from there as to how we improve security. Security awareness is what we are really about here throughout the Bankstown Airport community.

**Senator HOGG**—You are really concerned more about, say, criminal activity than terrorism as such, or both?

**Mr Bayndrian**—No, it naturally spills over. The intent, obviously, is aviation security, because that is the driver, but you just cannot ignore any other issues that may turn up at a security committee. We have a centralised reporting system; I am happy to say it has not been used in anger with security incidents. It is forming all those protocols and education and awareness. I come back to those statements again.

**Senator HOGG**—In respect of threat assessments being made for terrorism, you said there has been one assessment made by ASIO, I think, or some assistance from ASIO and the state police. Given that this is a fairly new area, how often do you expect that you will do a review of the threat assessment in respect of terrorism? Do you have some sort of program?

**Mr Bayndrian**—If the business changes fundamentally, if regular public transport—RPT—is introduced, that changes the fundamentals of the threat assessment.

**Senator HOGG**—But unless the fundamentals change, you are not in the business of doing a review to see if the circumstances have changed?

**Mr Ellis**—No. The issue for us is that, unless we are given some lead into this, we do not know that the situation has changed. For us, the status quo remains. If there was a major incident in Sydney, a security or terrorist incident, I would be chasing it up with ASIO and finding out if there were any implications for Bankstown Airport. I would be responding to the environment, but there is no format or protocol that allows me to be routinely updated on subtle changes to the threat situation. I would be relying on Commonwealth and state agencies to advise us that there was some change in the threat scenario.

**Senator HOGG**—Is it possible that you could become a forgotten part of the industry, and I am not saying that nastily?

**Mr Ellis**—I think that is quite possible. The focus, quite rightly, is on the larger aircraft and that part of the industry higher in value for both human life and dollars. That is undoubtedly in some respects what has happened. The department have been given a very short period in which to implement the new security requirements. They have had difficulty in getting the right level of experienced staff, and they have done what I would do: they have focused their attention on the highest risk area, the highest value area, which is Sydney airport and those others. I suspect that is one of the reasons why we have had difficulty in getting the department to come out and talk to our pilots and our operators and our businesses on the airport, because they are so

overwhelmed with managing the high end of the industry. That was a long answer to your question, but the answer is yes.

**Senator HOGG**—In your submission you refer to the fact that your operating environment is aligned to being closer to a regional airport, yet you are not classified as a regional airport. Is there value in the way in which your airport is classified in terms of how you meet the various potential threats to your business? Should you be reclassified as a regional airport?

**Mr Ellis**—No. We are classified as a security designated or security controlled airport, so we fall in the same sort of category as a broad range of airports. I think it is more getting the focus of attention of the department and others in threat advice, in consultation with the industry, in routine audits and those types of things on our airports as you would put on, for example, Coolangatta or Tamworth and such airports. The difference is that, until it arrives, we do not have regular passenger transport, so we do not have the same level of risk you might have if you were flying aircraft with 30 to 100 people on board. We are not saying that we want to have our name changed to a regional airport; we just think that, given the size of this airport, its proximity in the Sydney basin and the level of traffic, there needs to be a level of resources put into it to make sure that threat advice and monitoring occurs.

**Senator HOGG**—In your submission, you refer to the move of industry participants to unregulated airports in the Sydney region, such as Wedderburn, Warnervale and The Oaks, and you say it creates additional security and safety risks for the industry, and of course reduces the profitability for GAAP airports. Can you just elaborate on that? Where are the additional security and safety risks?

**Mr Ellis**—The move of the general aviation industry into the unregulated field is well documented in the recent report 111 from the Bureau of Transport Economics. That highlights a reduction in the business and recreational end of registered aircraft of about 20 to 25 per cent, and the same growth in the ultralight or unregistered end of the industry. We have seen that change in our use profile, and the same level of growth that occurred at airports like Warnervale, Wedderburn, The Oaks. These are unlicensed private airfields around the edge of the Sydney basin. Obviously, that has an immediate impact on us because we lose the revenue from those aircraft, and we make money from aircraft landing on the airport. It also means we do not have a picture of who the pilot is when they fly in and out. With every aircraft that lands and takes off from Bankstown that has a VH registration, we are able to find out who the owner is from the CASA registry. We do not have any access to the ultralight association. In fact, they have refused to provide us details of who their registered owners are on the basis of privacy, so we do not know who they are. When they operate from our airports, like Bankstown or Camden or Hoxton Park, we are unable to capture who the user is flying into the airport.

**CHAIR**—Do you think there should be a secure but accessible database of registered ultralights?

**Mr Ellis**—Absolutely.

**Senator HOGG**—Who should control that?

**Mr Ellis**—The current registry is controlled by CASA and, as far as we are concerned, they do a very good job of updating that and controlling it and providing us appropriate access to it. I do not see why CASA should not be able to do exactly the same thing with ultralights.

**Senator HOGG**—What is the security risk?

**Mr Ellis**—There is a security and safety risk. First, as to the security aspect, we do not have any identification or control over those aircraft when they land and take off from our airport. For example, if somebody comes onto our airport and routinely breaches the security aspects of our airport, we are able to refuse them access to the airport. We identify who the owner is, we advise them through a process that is in place with the department of transport, we can warn them in a warning period, and we can prevent them from accessing the airport. Because we do not have any identification of who the ultralight owner is, we are not able to go through the same process. We are not able to implement security protocols on those aircraft. This is a personal opinion, but there is a safety issue here in that when a pilot is flying a registered aircraft we know if he has a pilot's licence. We know that the standard of the aircraft is monitored by CASA and we know that the standard of his training is monitored by CASA. We do not know the same about ultralight operators at all.

**CHAIR**—Does an ultralight operator have to have a pilot's licence?

**Mr Bayndrian**—I am not aware of that part of the industry. I will take that on notice.

**Senator HOGG**—These unregulated airports are not a major risk in terms of terrorism, one would think,

**Mr Ellis**—No. The issue of an ultralight flying into the side of Australia Square, I think, probably would not be considered a major risk.

**Senator HOGG**—Or interfering with regular air space?

**Mr Ellis**—I think their flying into regulated airspace is probably more of an issue, but you would have to talk to CASA about how they control that. I do not have that sort of information on how they control ultralight use, for example, in regulated airspace in the Sydney basin.

**CHAIR**—I am glad the issue was raised about an ultralight flying into Australia Square as having an impact. I am trying to remember a book I read by one of the big novelists who writes about terrorist activities. It was about a person who got a relatively small aeroplane, a Cessna, filled it up with explosives and flew it into, I think, a super bowl game one day which killed a number of people. When you talk about security and access and concern at Bankstown Airport, and given its proximity to Homebush, what security measures do you have in place in your airport to look at these sorts of things?

**Mr Ellis**—I think it is firstly recognised that for the size of the aircraft we are talking about you would be far more successful putting the same sorts of explosives or more in the back of a truck and driving it into Homebush. The issue of what the aircraft can carry is the first profile.

From the point of view of control of those aircraft on Bankstown Airport, we have a combination of access controls to prevent unauthorised access onto the airport: we have an education program with the operators on the airport to identify people who are not supposed to be there and remove them from the airport; and we have routine security patrols that occur on the airport to identify and monitor activities that may be suspicious or inappropriate on the airport. Then we have our own visitor's pass and pass issues that work on the airport that allow us to identify people who should not be there on the airport. There is a multilevel range of security issues which are there not specifically to prevent that but which will work to prevent that.

**Ms GRIERSON**—How confident are you that your visitor's pass and photo ID is a rigorous program?

**Mr Ellis**—It is not meant to be the same level of complexity or rigour that you would have with an ASIC.

**Ms GRIERSON**—Who gets a photo ID, your staff?

**Mr Bayndrian**—Staff; anyone who drives airside who has either a category 2 or category 3 airside licence—so people who are on the movement area. They are the majority.

**Ms GRIERSON**—A pilot coming through gets nothing?

**Mr Bayndrian**—No, a pilot must meet whatever the CASA requirements are or, if they are going to fly—as we stated—into other airports, they will need an ASIC.

**Ms GRIERSON**—But they do not have anything from your airport—

**Mr Bayndrian**—No. They will have a pilot's licence. They will have it as a trainee or a—

**Ms GRIERSON**—You can identify them, as you said, from the registration on their plane?

**Mr Bayndrian**—Yes.

**CHAIR**—I have one final question. In your submission, at item 2, in a table you refer to legislation—'Legislation delivery not practical'. The support for it reads:

GA pilots frustration over Aviation Security Identification Card (ASIC) issuance and how CASA and DoTARS need for ID's can not be amalgamated ... No template for ASIC program.

Can you elaborate on that?

**Mr Bayndrian**—This was more evident in the April-May Securing Our Regional Skies conference that was held here to which the department of transport invited all the airport operators. It was a major point of contention that CASA required all pilots to get some form of full ID which was almost an identical requirement to the ASIC. Yet they had to get this and that at the same time, and the industry could not fathom why two branches of the department of transport could not amalgamate this requirement into a single card. I received a number of phone

calls when the department of transport wrote to every single pilot stating the requirement that they must by 1 January next year have an ASIC, thinking that the Bankstown Airport would be able to assist them with that.

**Ms GRIERSON**—But there is no security test or fit and proper test on pilots, really, is there? The pilot licence is just your—

**Mr Bayndrian**—I am not quite sure. You would need to speak to CASA on that one.

**Mr Ellis**—The issue that we represent here is as much on behalf of the users of our airport. I think their frustration is that a pilot for Qantas can go and get his ASIC and pilot's licence and Qantas picks up the cost of that. For the pilot who flies in and out of our airport, it is coming out of his pocket. In many cases, he is bearing the cost of getting the pilot's licence and then getting an ASIC. In some of the larger companies, it might be borne by the company. We cop a lot of flack from these people saying, 'Why do we have to get both of these?'

**CHAIR**—If I take you back to 9-11: the people who took over the planes in the 9-11 situation were all trained in small aircraft.

**Mr Ellis**—Yes. Since 9-11, though, there has been a lot of contact with I think both the Commonwealth and state agencies and us, with the flying schools, to get them to identify people. My experience on Bankstown Airport has been that the flying schools are very rigorous in monitoring the pilots that are doing training with them, particularly foreign pilots, because in many cases they are parties to their sponsorship of coming to Australia to do their training. Their ability to do that is at risk if pilots do not complete their training or actually commit a crime or something like that.

**Senator HOGG**—Can I just follow on from what the chair was asking. Your real gripe really is that it is another cost impost on small business. Is that a fair way to characterise it?

**Mr Ellis**—Yes. The majority of my customers are small businesses. With the exception of Boeing, Hawker Pacific, and three or four others, they are small businesses. They suffer all the same issues with regulation and legislation and control and costs as any other small business. As to the issues that come out of this, it is not a resistance to security per se or a lack of recognition of the need for security, it is knowing what to do with the costs that accrue associated with the implementation of those additional security requirements.

**CHAIR**—I thank you very much for your evidence today. The committee may wish to pay a visit to Bankstown Airport. I know it has been 30 years since I was out there.

**Mr Ellis**—You are most welcome, Chairman.

**CHAIR**—We may take up that option. Thank you very much for your evidence and your submission; it has been a great insight to the committee. We will be in touch with you if we have further questions.

**Proceedings suspended from 11.02 am to 11.16 am**



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**HARAN, Mr Sean, Security Committee Chairman, Conference of Asia Pacific Express Carriers**

**CHAIR**—I advise you that the hearings today are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as contempt of the parliament. The evidence given today will be recorded by Hansard and will attract parliamentary privilege. Do you wish to make a brief opening statement before we proceed to questions?

**Mr Haran**—Thank you, Mr Chairman. Please accept the following comments submitted on behalf of the Conference of Asia Pacific Express Carriers. CAPEC comprises four members, including FedEx, DHL, TNT and UPS. Comments have already been submitted to the committee by way of submission. We welcome the opportunity to work closely with all committees of inquiry to establish appropriate cargo screening standards for cargo carried on passenger and cargo only aircraft, as well as a mechanism for the Department of Transport and Regional Services to review and approve the new transport security programs so that they are effective, commercially sustainable and do not materially and adversely affect the quality and nature of the express services which we provide.

**CHAIR**—Thank you for your submission. I will go straight to a couple of points quickly to open up discussions. In your submission you say:

CAPEC is opposed to the screening of inbound international cargo awaiting loading onto its next sector domestic or international flight, providing it is kept secure pending that next flight.

Has that cargo been screened at all in Australia at this stage?

**Mr Haran**—That cargo has been screened at its point of embarkation. Our submission deals with the fact that we would say that cargo is secure as it comes in and would be kept in a secure environment until it is transhipped to its next destination.

**CHAIR**—You are relying on overseas countries to screen that cargo and you would then assume that, because it has been screened in another country, all is secure?

**Mr Haran**—Our assumptions are based on our own organisation's security processes which currently ensure that that cargo has been screened.

**CHAIR**—Of all that screened cargo that comes in from other countries, how often are drugs and other contraband found in those containers?

**Mr Haran**—Those instances occur.

**CHAIR**—Given the purpose of the screening is to pick up explosives and other contraband, don't you think it is valid that it is screened before the product gets out into the marketplace?

**Mr Haran**—I do not think the group have any issues with that per se. The purpose of the screening in general terms is in relation to the explosives and incendiary devices. There has been no instance of those types of materials found, either inbound or outbound.

**CHAIR**—Even though the screening at Sydney airport on checked baggage is primarily for detection of incendiaries or explosive devices, quite often in the process they identify and report to other agencies contraband and agricultural products. Why should you be exempt from that?

**Mr Haran**—I do not believe that in the context of the submission our organisations or industry are looking for any exemptions per se. It is important that we very much want to ensure that we are major players in the sense of the whole context of airline and aviation security. I suppose the nature of the comment is in relation to our own commercial processes to ensure that we are able to maintain the standards and that our industry is not adversely affected by too many major changes to processes. I will clarify again that we are 110 per cent fully supportive of implementing processes to ensure that cargo is clear and CAPEC members are all fully supportive of that process.

**CHAIR**—You raise the issue and you say in your submission that it is all fine, providing it is kept safe. Yet in your submission you also talk about cargo crime—that it is difficult to report cargo theft when you do not know the location of the theft or when the loss is unknown. If you have an inability to keep track of all your cargo, how do you know that it has been kept secure?

**Mr Haran**—That is an ongoing and a longstanding issue in relation to reporting of cargo crime. For example, if a shipment leaves Singapore and is bound for Melbourne, it may come through a couple of destinations—maybe even Sydney and then Melbourne. If a shipment does not arrive in Melbourne and it is deemed as lost or stolen, the issue with reporting that is a national policing issue in Australia. We may attend or deal with the Victoria Police to report the item missing. They may turn around and say, ‘Where was the item lost?’ At that stage it may be that the item was lost in Singapore or Sydney. It is difficult to actually make that report in Melbourne because the Victoria Police may say, ‘We don’t know the shipment was lost here—we won’t take responsibility for that report.’ That is the issue of the national reporting problem within our industry.

**CHAIR**—Are you talking about containerised package or palletised?

**Mr Haran**—It could be anything. For example, there may be a shipment of 15 laptops moved from A to B. When that shipment arrives at B, there are 14 laptops. Obviously an investigation ensues by the relevant organisation to try and ascertain from where that laptop was removed. It may be that it was not packed in the first place by the shipper. It may be that it has been removed in the process somewhere along the line. The difficulty in reporting that crime is the issue that has been laid down in the submission—if it cannot be specifically found where that shipment was removed from. We have had problems for many years with the Australian police services in various states taking those reports because we cannot specifically delineate where that shipment may have been stolen. That is the nature of that part of the submission.

**Ms GRIERSON**—What percentage of cargo is reported stolen or missing?

**Mr Haran**—It is a difficult question to answer in respect of CAPEC with the representation of four companies.

**Ms GRIERSON**—Would it be standard across those four companies? Would there be a trend or would some companies be better or worse?

**Mr Haran**—I am prepared to make a general statement that some four or five years ago the figure of \$500 billion globally is the quotient we are looking at with cargo crime internationally.

**Ms GRIERSON**—Internationally?

**Mr Haran**—That is globally.

**Ms GRIERSON**—By the big players.

**Mr Haran**—Cargo crime is an enormous problem.

**Ms GRIERSON**—So if you were a cargo business you would factor in a big loss, basically?

**Mr Haran**—Individual companies working in different countries have different issues and it depends how they move freight. It is an ongoing issue. I am not prepared at the committee to make a statement in relation to specific companies and losses because I do not have that representation today. It is enough to say that loss within the industry is an ongoing problem, as is any crime in any other country.

**Ms GRIERSON**—To give us some idea, if \$500 billion was the loss four or five years ago, what was the turnover four or five years ago? We can then work out the percentage that might have been.

**Mr Haran**—I could not say. I do not have that information with me.

**Ms GRIERSON**—It is significant.

**Mr Haran**—That figure may not be significant with your question in respect to the turnover, but it is a large figure on its own. It may be less significant in comparison with the whole turnover figure.

**Ms GRIERSON**—In terms of contamination—which I think is a significant threat—how much tampering is there with cargo?

**Mr Haran**—As you would be well aware within the confines of Australia, all members of CAPEC and all organisations that move air freight are confined within the regulated air cargo agents program and the new transport security act. Within those guidelines there are very strict processes in place for the screening and the movement of cargo, the security of our facilities and vehicles et cetera. The Department of Transport and Regional Services audits and checks our organisation on an ongoing basis. We all have very strict requirements and security standards. With respect to your question, tampering of cargo occurs. However, it is generally one of those things that is easily picked up because of the processes that we have in place to monitor cargo.

We all have very advanced computerised systems for moving and monitoring of cargo. There is very timely reporting on incidents.

**Ms GRIERSON**—That is more aimed at where it is and at what time?

**Mr Haran**—Yes, it is, and it is obviously a statement of condition because there are people monitoring these movements of cargo as they come through. For example, as a group and as an industry, we are not going to deliver a shipment to a customer if it has been tampered with. There are processes in place to ensure that, if there is a tampering incident, it is investigated and seen through to its logical end at that stage without taking it any further. So the processes are in place.

**Ms GRIERSON**—You have a difficulty with the cost of screening or the introduction of any rigorous screening in terms of cost compliance and time. We have had a submission from Customs that their use of screening with maritime with freight containers has been very successful. That would suggest, given the fact that air freight is increasing, there may be a good case for screening of air freight.

**Mr Haran**—I agree with that. As a representative of CAPEC, I certainly agree with that statement. To put our submission in context, we are totally supportive of having screening processes in place. Screening processes are in place now under the regulated air cargo agents program, the new act and, previously to that, the regulated agents program; they have always been in place. We are not arguing against increased screening measures. All we are saying as a group and as an industry representative is that if these measures are going to come into place, we would like to know what they are going to be and when they will come into place so we can get ourselves organised with budgetary requirements and operational requirements so we can plan for these things. The issue at the moment is that the area of screening is still somewhat grey even within the new act and we just want to make sure that we are very prepared for what is going to be coming in.

**Ms GRIERSON**—When we saw baggage screening yesterday at Sydney airport—and we did not visit freight; we will do that at another time—all the equipment is paid for by Sydney Airport Corporation Ltd, but staff and, as you say, the time elements are paid for by Qantas or whoever the carrier is. Is it the same for the screening that is happening at the moment? Who is sharing the cost and what is the cost share?

**Mr Haran**—No. The key issue is the cost of screening the cargo, which is predominantly borne by the industry. We are again bound by the regulations and the new act to ensure that our freight that we handle as a group or with individual companies is screened in accordance with those regulations. The cost is borne by industry. Part of the submission was looking ahead. If there were going to be large costs associated with additional screening measures our submission was putting the position to government that there may need to be some look at the cost structure so that it is not cost prohibitive to our members.

**Ms GRIERSON**—In your submission you say that you would like to see more audits by the regulators of your industry. Is that a shifting of responsibility by the industry itself?

**Mr Haran**—No. To put it into context, that part of the submission was part of a Department of Transport and Regional Services forum that CAPEC was a participant in. It was an industry submission with respect to ensuring that all players in the industry, whether they be large or small, are compliant to the current programs.

**Ms GRIERSON**—How often would DOTARS audit FedEx Sydney?

**Mr Haran**—I could not give you an answer in respect of FedEx. I would be prepared to say that, prior to March this year, with the new act coming in, my view would be that there was probably a minimal amount of auditing being done by the department of transport. I think as an industry what we are looking to say is that needs to be increased and be put across industry and industries. To support that, I understand that with the new DOTARS set-up and structure and recruitment that is in place anyway.

**Ms GRIERSON**—What about crime agencies, AFP and policing? Does the industry have much interaction with them?

**Mr Haran**—We certainly do. Part of our submission—and this is another key issue which supports one of the points that SACL members made this morning—is that we would like to see a dedicated cargo crime group back in the airports in Australia.

**Ms GRIERSON**—What do you mean by ‘back in the airports’? They used to be and they do not do it any more?

**Mr Haran**—Many years ago there were a number of groups within state and federal police. Cargo pillage groups were at the wharfs and airports and they were dedicated to monitoring crime patterns and trends and investigating into crime and movement of cargo around airports. It has been some time since they have been in place. The trend seems to have gone away. If you look at key cities around the world—London and in the US—those groups have been there for many years. We feel very strongly that it should be back on the agenda within Australia and specifically at Sydney airport.

**Mr TICEHURST**—What can you tell us about the neutron scanning trial?

**Mr Haran**—A very good question.

**CHAIR**—I am looking forward to a good answer!

**Mr Haran**—The neutron scanning trial is a Customs initiative. It is basically a process whereby they are building—or have recently built—a facility at Brisbane airport on the airport environs. It is a large machine similar to an X-ray machine but uses a newer technology to intrusively audit and scan freight. My understanding is that what it actually does is pick up the material that every particular item within that freight is constructed and made of. It will not just look at an X-ray of a laptop and pick up a dark spot that could be something hidden in it. It will actually show what material that is made of. It is really drilling down to the nth degree what is in every shipment or container. It is terrific technology and is where we definitely need to be going in the future. The concern of industry is that the current trial is looking at taking all organisations’ freight away from their normal supply chain, taking it out to this facility, putting it

through the machine and we get it back on line. The issues will be that if something positive is found, it has got to be investigated and taken off line. What it is going to mean is enormous delays and the potential for impacting our industry in a huge way. Again we are not adverse to the technology; I personally think that is where we need to be going. However, those are the issues we have to be concerned about.

**Mr TICEHURST**—We saw that baggage scanning is relatively simple compared to what you are facing, because you are dealing with the packets, pallets, cases or containers. With baggage handling the order and magnitude of what they are actually scanning is pretty well the same in that 30 kilogram is the maximum for baggage.

**Mr Haran**—Correct.

**Mr TICEHURST**—Their processes were easier. I can see the difficulty that you would have because you have many different locations and this huge range in sizes of packets you are dealing with.

**Mr Haran**—Correct. If you look at the other scale of that, and it was mentioned previous to your questioning, in relation to the success of the sea freight container, we are in the middle of that because the sea freight process is a long one. If you have ever shipped anything on a container overseas, we are talking weeks. So an extra couple of days or a day is generally not an issue. With the express industry, of course, it is overnight. It may be overnight to Hong Kong or wherever it may be, so the whole customer base globally expects that service. We have got to be aware as an industry and I would propose to you as a committee looking forward to support the industry and look at where we are going with this. We have got to be careful about impacting that whole global process.

**Mr TICEHURST**—It is the relative risk you talk about in your submission, with cargo being less of a risk say than with passengers and passenger baggage. What about the situation where you have got cargo also on a passenger aircraft? How would you distinguish having a different scanning level for freight that is going onto a passenger aircraft?

**Mr Haran**—The submission in line with the global view on this from industry is that the risk associated with putting cargo on a passenger airline is greater than putting cargo onto a cargo only airline. When you look at the consequence of risk even with the Australian standard risk matrix for risk within this country, you are dealing with hundreds of people if a passenger aircraft was involved in an incident. If you are dealing with a cargo aircraft, you are dealing with perhaps two human lives in most cases. That is the essence of the risk matrix with respect to less risk on a cargo only aircraft.

**Mr TICEHURST**—If a passenger's bag is on an aircraft and that passenger is taken off at an interim stop for whatever, then that passenger's bag has got to come off as well, whereas with freight it is a different deal.

**Mr Haran**—Correct.

**Mr TICEHURST**—How would you look at scanning in those two situations for passenger or for general freight? What happens now in today's world?

**Mr Haran**—What happens now is that with the parameters set down—and this is a global model of the known shipper program—organisations moving air cargo accept and have agreements and contracts et cetera set up with providers of cargo. We receive cargo from other organisations that are also regulated air cargo agents. We receive a declaration that that freight has been screened by those organisations. That is how the Regulated Air Cargo Agents program works. It is a global model. If we do not know a shipper, that freight must be 100 per cent screened. If we know the shipper, that is they are a customer of the carrier, then there are a number of provisions made where that freight does not have to be 100 per cent screened by the next carrier in the chain. That is the difference.

**Mr TICEHURST**—Would you have freight consolidators screening packets before they send them on to your corporation?

**Mr Haran**—Correct. Again, they must be regulated. The industry is heavily regulated in the sense that if any organisation that is a carrier receives cargo or freight from another party, if that party is not a regulated air cargo agent under the new act then that freight has to be 100 per cent screened by one or more of a number of different measures.

**CHAIR**—Could you clarify something for me. Every piece of freight that goes into a passenger aircraft is 100 per cent screened?

**Mr Haran**—At the moment that would be dependent on the actual airline. When you say 100 per cent screened, screening as it currently sits within the regulations can be a number of measures. This applies to what we would know as an unknown shipper. If you walk into an office of any of our members or the industry and you want to ship a package overseas and you do not have an account, you would be classed as an unknown shipper. That shipment must be 100 per cent screened. That can be by physical search, X-ray or explosive trace detection. If you are a customer of a carrier and have an ongoing relationship and you present that freight, that particular piece of freight may not be screened by the carrier because it becomes a question of random and continuous screening. It may be screened by the airline. At Sydney airport specifically, some—I am not aware of all—but the companies that are dealt with through CAPEC, the airlines themselves assess that risk and may screen 100 per cent of freight.

**Senator MOORE**—Mr Haran, what does the DOTARS Cargo Working Group do?

**Mr Haran**—The Cargo Working Group is a group of industry participants who have been working with the department of transport over the last two years with respect to putting a framework and a working model around the new Aviation Transport Security Act. It is an industry participant group that works with DOTARS.

**Senator MOORE**—Is it an advisory group?

**Mr Haran**—I am not 100 per cent sure whether that is the correct title.

**Senator MOORE**—You have obviously raised these similar issues in many places as well as in your submission and I am just interested in the relationship between the working group which is looking particularly at your segment of the industry and your concerns and all those things, and how it links in with the department to come up with the best possible outcomes.

**Mr Haran**—The Cargo Working Group now is at a stage where we are working on ensuring that the act, which is obviously now out and proclaimed, is a workable model. The working group is now ensuring that industry across the board is able to comply with the act. We are working with the Department of Transport and Regional Services to ensure that we all participate correctly and we are all following the regulations. That is where it is at the moment.

**Senator MOORE**—Do you know how long you are going to be in existence?

**Mr Haran**—I do not know the answer to that one.

**Senator MOORE**—Thank you.

**Senator HOGG**—I want to take you back to the level of screening that actually does take place, because that seems to me to be fairly important indeed. In terms of your group and incoming cargo to Australia, do you know what percentage would be scanned at the airport of departure from overseas?

**Mr Haran**—I would have difficulty giving you a definitive answer on that as a CAPEC issue. Inbound freight at present is screened by Customs.

**Senator HOGG**—That is as it comes in?

**Mr Haran**—On entry into Australia.

**Senator HOGG**—No. I am going to the step before that—from its port of exit, do we know what percentage is screened?

**Mr Haran**—Again I am not in a position to give a definitive answer.

**Senator HOGG**—Could you give me a ballpark?

**Mr Haran**—Every country in the world at this time is going through this same process or has been through it, probably with the US being the leader.

**Senator HOGG**—Let us just take the US as an example. I think that it is a fair place to start. I would guess that if one of your group is operating a flight coming from an American port there would be a fairly high likelihood that the cargo would be screened before it is placed on board. Would that be a reasonable assumption?

**Mr Haran**—Absolutely, and perhaps I can take you one step further. There are probably still some misnomers, if you like, about what screening specifically is. All freight that moves onto an international aircraft must be screened—that is through the ICAO standards globally. Every country would have its own known shipper or regulated agent program to look at what that standard may be. All freight that moves is screened to some degree; that screening may not necessarily be 100 per cent X-ray or explosive detection, but it is screened in some form.

**Ms GRIERSON**—It could just be an inventory check, a paper check?



**Mr Haran**—It could be. The regulated agent program or a known shipper program has been the global model for some time. For known shippers who are part of the agreement with an organisation, a portion of freight is screened by the provider and perhaps randomly screened by the carrier. For the unknown shipper—so someone walks in or calls a company for a pick-up—that is 100 per cent screened. That is the current status. Some countries may do more, some less, but that is the minimum. In the context of ‘Is freight screened getting onto an aircraft anywhere in the world?’ the answer would be yes.

**Senator HOGG**—It is screened, but the degree to which it is screened may vary from place to place or from time to time?

**Mr Haran**—Correct.

**Senator HOGG**—The presumption is that if it is from an unknown shipper it will be subject to 100 per cent screening?

**Mr Haran**—Correct.

**Senator HOGG**—If it is a known shipper then that may be subject to the vagaries of the local circumstances—it will go through some sort of screening but that might be just trace detection or it could be a visual inspection?

**Mr Haran**—Correct. That is again supported by the regulated agent program in that particular country and would have strict guidelines as to how that freight is actually managed. For example, once it is picked up it must be in a secure supply chain within a secure facility et cetera. It is a tight legislatively bound process.

**Senator HOGG**—Can we move to our comparison with the United States. Would produce, or whatever it might be, that is coming out of the United States and being shipped be subject to the same sort of scrutiny as goods that were leaving Australia and going to the United States?

**Mr Haran**—Yes, it would.

**Senator HOGG**—So we are at least on a par.

**Mr Haran**—Yes.

**Senator HOGG**—What about some of our south-west Pacific neighbours? Would that apply in some of the south-west Pacific neighbours that we deal with?

**Mr Haran**—Yes, it would, in the context that any airline that operates within the world must conform to international standards for a whole host of things, one of those being the carrying of cargo.

**Senator HOGG**—So, there is a consistency of approach then in terms of whether it is incoming or outgoing. Where it is an unknown shipper it will be subject to 100 per cent scrutiny, whether that is through some sort of screening detection or visual check, whereas if it is a known shipper it will have a different regime?

**Mr Haran**—Yes. Just to put that in context, it also then may be a decision that may be taken by the airline itself. In other words the carrier may screen freight but the airline itself may decide to do a further—

**Senator HOGG**—But that would be in the case specifically where they were carrying passengers, would it not?

**Mr Haran**—In most cases, yes, it would be.

**Senator HOGG**—It is just that we heard yesterday that the regime that will be in place in the international terminal by 2006 or 2007 will be 100 per cent screening of all baggage that will go into the hold of an aircraft. I would presume if that is going to be the case it will apply to cargo as much as it will apply to any other luggage that is loaded on board. I go to the cargo that comes into Australia subject to the regime that we have described but is then transhipped—it might go across to a domestic freight handler, who will either on-forward it on their own aircraft or on one of the domestic aircraft. Is that the cargo that you were speaking about earlier that should not be subject to further checks provided it is held in a safe and secure area?

**Mr Haran**—Again—

**Senator HOGG**—Are you looking at avoiding double-handling here? Is that basically what we are getting at?

**Mr Haran**—I do not think we are looking at avoiding anything in particular, in the sense that we are supporting the argument by the fact that there are guidelines and international regulations in place for the handling of cargo now, and that cargo is subject to that process. The process is that any freight that will be coming into this country has already been screened in the context of the international regulations. So, in essence, yes, it is a double-handling process. We are not opposed to conforming to the regulations but we are concerned about the impact on the industry overall with regard to the timeliness of the process.

**Senator HOGG**—That is probably the situation for normal goods. How do you handle refrigerated goods? Are they handled differently in terms of screening? I understand the seafood industry, for example, would use air cargo facilities to get their product to the market ASAP. What sort of screening is done there? Is it the same as applies to ordinary cargo?

**Mr Haran**—There would be no particular exemption for any type of freight. The process is as it stands. Again, bear in mind that most industry players that will be moving that type of cargo across the world would be a regular customer of a carrier.

**Senator HOGG**—One of the issues that you raised in your submission was the issue of cost and who should pay. What is the view of the organisation on that issue?

**Mr Haran**—The view of CAPEC and indeed the industry, and getting back to Ms Grierson's question earlier on, is that we see a major component of passenger screening supported financially by airport organisations, government, Customs et cetera. We are somewhat concerned going forward that the air cargo industry and the cargo industry overall may be subject to fully financially supporting any moves going forward to upgrade the screening process of cargo. That

is simply the concern; there may need some cost sharing amongst industry, airport operators, airports and government with those costs, which are going to be exorbitant.

**Senator HOGG**—You say they are going to be exorbitant. Why are they going to be exorbitant?

**Mr Haran**—Simply because of the technology that is required. For example, these neutron scanners, those sorts of devices going forward, and the size that they are going to need to be involve enormous costs.

**Senator HOGG**—Do you have projected costs on the operation of the neutron scanner?

**Mr Haran**—I do not at the moment, because the technology is so new that Customs are at the moment just running their first trial and project. I do not have a specific dollar figure. We are talking millions, rather than—

**Senator HOGG**—Is it the infrastructure cost that frightens you, is it the time to process, or is it both?

**Mr Haran**—It is two things: it is certainly the cost; it is also the time process. Quite frankly, with what we are looking at going forward, is it going to be feasible that instead of members having to take their cargo offline to a facility at an airport and then go through that process and come back—that could take hours—we may be able to, working with Customs and DOTARS, manage that process ourselves and maintain control of that cargo? That is really where we would like to be heading with that process.

**Senator HOGG**—What is the likelihood?

**Mr Haran**—I am not sure, because we have only really just spoken to Customs about that a week ago and the answer was that it is something possibly we could talk about. It is on the table and it is something that we would be interested in going ahead with. It is, again, simply having a better control over our own process even though it would be a government instrumentality, a third party, that would enormously increase our time frames for delivery across the globe. I need to emphasise we are in no way trying to get away from our own responsibilities in respect of screening. We are 100 per cent supportive of any upgrade in screening; however, we have got to be mindful as an industry that we are not adversely impacted by those time frames.

**Senator HOGG**—One of the things that is important, obviously, in air cargo is the turnaround time from when the items are dispatched from their point of origin to when you receive them and are able to place them to their destination.

**Mr Haran**—Correct.

**Senator HOGG**—What sorts of turnaround times are manufacturers, producers and others looking for that makes the time constraints in your industry so important?

**Mr Haran**—In a lot of cases it is next day delivery. The time frames are very tight and very strict in getting a particular shipment on a particular flight in a certain country to get it to another

country, and getting that delivered perhaps the next morning. They are the critical time frames. Certainly, again, the fear is blowing those out is going to impact the industry enormously. Going forward, we would like to have some more control over that cargo at all times, rather than having it taken away somewhere for two or three hours for a screening process that we could possibly, with the technology, do ourselves. For example, at the moment Customs work in all our facilities so it may be that we can actually manage that process within our facilities rather than having it out at another facility.

**Ms GRIERSON**—Similar to baggage handlers?

**Mr Haran**—Correct.

**Senator HOGG**—I note the names of the members of your group—are there other major freight shippers that are not members of your group? Are there groups similar to yours that exist, either operating into the Australian market or in other markets overseas? Are your competitors facing the exact same problems that you are in the sense that you have described to us today?

**Mr Haran**—There is quite a number of industry groups even just within Australia. I would have to say that, to this date, most of those, or all of those, have been represented either on this cargo working group or with the department of transport working groups over the last couple of years. Yes, there are a number of key industry groups and they would all have been working very closely with the department of transport over the last couple of years.

**Senator HOGG**—Do you work together as a collective organisation even though you are competitors? Do you have a collective group? You have CAPEC; do you have a broader group that embraces these people as well?

**Mr Haran**—I would have to take that one on notice. As I say, there are a number of industry groups. Some players are involved in some; others are involved in all.

**Ms GRIERSON**—Would you know what percentage of freight your group of four players represent in Australia?

**Mr Haran**—I am told it is the vast majority.

**Ms GRIERSON**—I would have thought so.

**Senator HOGG**—Yes, that is what I would have thought too.

**Ms GRIERSON**—Are we talking 80 per cent, 90 per cent? Is that the right figure at least?

**Senator HOGG**—I was just trying to get some feeling of what you were doing.

**Ms GRIERSON**—Are you able to give us a breakdown of the cargo that comes into the country. Is it fresh produce, is it electrical goods, whitegoods? Is there some breakdown of that? If you could get us something, that would be good.

**Mr TICEHURST**—You can take that on notice and provide it to the committee.

**Ms GRIERSON**—Would there be a view within the industry that all international airports in Australia have similar rates of risk for theft, or do they vary from airport to airport?

**Mr Haran**—I would answer that by saying the rates would probably be quite similar. If you started to look at breaking that down into the major risks, you would look at size—Sydney and Melbourne—and then start going down from their particular size, say, to Brisbane. It would be fair to say if you drew some numbers you would have Sydney airport on top and then you would start working down to Melbourne, and so on.

**Ms GRIERSON**—Just because of the bulk of goods?

**Mr Haran**—Because of the sheer size.

**Ms GRIERSON**—So, there is not an anecdotal feeling in the industry that some airports are worse than others?

**Mr Haran**—No, I am not aware of that.

**Ms GRIERSON**—I would like to know.

**CHAIR**—I have two quick questions, and you might provide answers to these on notice. How many people are employed in your organisation's air side?

**Mr Haran**—I will take that one on notice.

**CHAIR**—How many people in your organisation would have ASICs? With the review of the ASICs, how many of those people were people of interest and how many subsequently had their ASICs taken off them? Who issues your ASICs? Do you put a bond on the ASICs so that people return the ASICs, as indeed Sydney Airports Corporation does? Finally, do you provide any training in the ASIC—what it is for, what access it provides you and the importance of it?

**Ms GRIERSON**—Can I add one more to that?

**Mr Haran**—Yes.

**Ms GRIERSON**—Non-return of ASICs—if you have any data on that. At our last inquiry we had a former employee turn up with an ASIC, so we now that they are out there.

**Mr Haran**—I can answer who issues them. Our ASICs are issued by the particular airport that we operate under.

**CHAIR**—I will look forward to your written response.

**Senator HOGG**—The last question that I have goes to the security of your site. Who looks after the security of the site? Is that looked after by SACL or is it someone that SACL employs? Do you have your own on-site security and, if you do, how many people do you employ to do that? You may need to take that on notice.

**Mr Haran**—I will take that on notice.

**CHAIR**—Thank you very much, Mr Haran. The committee has received a submission from the Flight Attendants Association of Australia. Is it the wish of the committee that the submission be accepted as evidence? There being no objection, it is so ordered.

**Proceedings suspended from 12.07 pm to 1.00 pm**

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**MACLEAN, Mr Guy William, Government and Regulatory Affairs Adviser, Domestic and Regional Division, Flight Attendants Association**

**CHAIR**—Welcome. I advise you that the hearings today are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as contempt of parliament. The evidence given today will be recorded by Hansard and will attract parliamentary privilege. Mr Maclean, do you wish to make a brief opening statement before we proceed to questions?

**Mr Maclean**—Thank you, Mr Chairman. I will make a brief statement. We have nothing substantially new to add to what we said to the committee before the last report, JCPAA Report 400. We wish to reconfirm the safety and security based nature of the cabin crew role. We find that is a continuous requirement, as the demographic of cabin crew as professionals is not always well understood and the true role of the cabin crew profession is always often not well understood. Cabin crew in the modern context have an ever evolving and higher level of personal responsibility for safety and security outcomes. We have seen that clearly in Australia in recent history, and the Launceston flight demonstrated that primary safety and security capacity. The International Civil Aviation Organisation documentation or ICAO Convention on International Civil Aviation defines cabin crew as safety sensitive. It defines our role as safety based, and of course, within this country the policy of the government is to adopt standards and recommended practices of ICAO to the greatest degree of harmonisation possible.

Report 400 of the committee previously picked up quite well on some points we felt were very important, for instance the need for security training, and we have moved to a stage where we are being trained as cabin crew to a very high security standard. The report did not pick up as well as we would have hoped the requirement for consultation. We feel that we have a particular expertise and our members provide us with a huge amount of information. When regulations and legislation and provisions are developed I think it is incumbent upon the government through the department to talk to the widest group of people possible. They should of course primarily talk to the main industry players. However, we are not usually, in fact very seldom, offered any formal consultation in that process. Whilst we do not wish to interrupt or in any way interfere with the normal process of government talking to the major industry players, we can talk about issues from a particular perspective, and if a regulation is being made, that perspective may hold some value in the determination of that regulation. Security is an outcome driven enterprise and I think cabin crew can add value by having some formal consultation arrangements with the department and with the government in the development of regulations. I would note that since the last report we have received no consultation from the Department of Transport. We went to a great deal of effort to try and build a relationship and be in a position where they understood who we were and that we were attempting to be a quality control mechanism, and to keep safety and security decision making at the front of the process. I think we were well accepted in that role, as the association, but it has not transpired into the level of consultation that we would like to see.

**CHAIR**—Mr Maclean, how many members are in your organisation?

**Mr Maclean**—In the domestic and regional division we lost quite a few members when the Ansett airline collapsed, but now we have come back up and we are looking at approximately 4,500.

**CHAIR**—Do you cover international flight attendants?

**Mr Maclean**—No. The domestic regional division does operate regionally, which you could refer to as internationally to New Zealand and in the Asia-Pacific region—Japan and Hong Kong. We cover, I think, 13 airlines within this country, and the level of our representation or the membership of our association is very high. It is well up in the late 90 per cent and we have a great deal of trust from our members who tell us a range of things quite regularly. If I can give that some context—in the development of the biometric security screening provisions, we were taken into the process, as the association. We were consulted and led to understand what was actually being done, because at first there was a great outcry that the biometric process would be checking for unpaid speeding fines or tax bills or something. When we entered into the process and learned that this was in fact not the case, we were able then to go to our membership and say, ‘This is a good idea, it will enhance security and it will enhance your safety,’ because none of this security stuff is academic to us, and we got over a 98 per cent—

**CHAIR**—Perhaps you may not be the right person to be asking this, but can you perhaps explain what biometrics evaluation is?

**Mr Maclean**—ICAO at their 33rd general assembly I think passed a resolution that states work towards adopting biometric technology, that is identification technology that is paired in some scientific way with a physical key like a fingerprint, or an iris retina scan, or a facial recognition scan.

**CHAIR**—Okay.

**Mr Maclean**—There has been running for the last several years, or a year and a half, a trial with the new biometric passports at Sydney airport. The name of the equipment is Smartgate. This is the second version of it. The cabin crew have enthusiastically signed up—I think it is well in the late 90 percentile range have signed up to contribute to that process and help develop it, and they are enthusiastic users of it and understand the need to contribute in that way.

**CHAIR**—With the review that went on with ASIC, I would assume the flight attendants have a version of the ASIC.

**Mr Maclean**—Yes we have an ASIC card that is exactly the same as everyone else’s.

**CHAIR**—On completion of the review, how many people under your organisation lost their ASICs?

**Mr Maclean**—I am not aware of a number, Mr Chairman, and I would ask to take that on advice.

**CHAIR**—You can take that on notice.



**Mr Maclean**—We were certainly concerned about that issue.

**CHAIR**—Concerned in what way?

**Mr Maclean**—We were concerned that the new test—the propensity to be engaged in politically motivated violence as an assessment by the intelligence services—have some level of transparency so that a person who cannot hold an ASIC cannot have a job airside. That may well be appropriate in particular circumstances, but we always felt there needed to be some ability for that person to be able to understand why they have been denied an ASIC. There was potentially the problem that you could find yourself out on the street with no job, no recourse and no idea what you did, in terms of an unfavourable ASIC check. We were not made a party to the development of those provisions by the department of transport. I do not know on what criteria the intelligence services assess; they would no doubt have their own criteria. We are not finding significant numbers of our members withheld. I think it would be a very small percentage.

**CHAIR**—Perhaps it would be better if we directed that question to the airlines themselves. I note that in your submission, and in past information provided to the committee, that you believe that the screening of cabin crews is relatively unnecessary, that it causes undue delays. Why do you believe that cabin crews should be exempt from screening?

**Mr Maclean**—We do not believe that, and I think you have misunderstood our comment. What we are actually saying in our previous submission, if I remember correctly, is that all personnel should be screened to the same level as the operating crew. We would ask for no shortcut through the screening process, and in fact, since the previous committee hearings, the screening requirements for cabin crew and aviation workers in general have been significantly tightened, one hundred per cent screening of cabin crew hold baggage for example, and that is appropriate. We support that, and so we are certainly not saying we should be exempt.

**CHAIR**—But you had concerns that people such as cleaners and technicians were not putting their equipment through a screening device?

**Mr Maclean**—We were at the time required to do a security check of the aircraft. We still in fact are required to declare an aircraft security checked. The operating crew do that because they have the greatest stake in the thing being safe because they are on it when it takes off. Therefore, it is wholly appropriate that they conduct that, as long as the time and facilities are available to do so. We perceived it as commercial pressure when told we were unable to wait until the aircraft had been entirely catered and provisioned and was ready for flight before then conducting the check. We were required to conduct the check whilst rear doors were open and people were leaving and entering, carrying boxes, an area we had just declared sterile. We did not understand the degree to which those personnel had been screened, and it appeared to us they had not been screened to the same level we had. I am not sure what the current situation is, but I know that was looked at closely in the new regulations.

**Ms GRIERSON**—So cleaning and catering personnel now would just have an ASIC card, would they not?

**Mr Maclean**—If they are working airside, yes, they must have an ASIC card or they cannot access airside, so they would be subject, in that sense, to the same security screening or vetting procedure as everyone else.

**Ms GRIERSON**—When we were at Sydney airport yesterday we observed most staff choose to just go in and out through the normal screening that passengers go through. Is that still the case? I think there were options. You could go out through a staff door, but it was just as complex, if not more.

**Mr Maclean**—For air crew, we just arrive and depart at airports in a fairly transitory fashion. In Sydney we are driven to under the wing of the aircraft, or now we go through a side door and through a security X-ray point. I cannot say exactly what the procedures are for other staff. I can certainly tell you what we do.

**Ms GRIERSON**—All right. The pre flight security check, what does that entail?

**Mr Maclean**—The crew, who are very familiar with the environment in which they work—they spend their entire working lives within the cabins of aircraft—are recognised as being therefore an efficient and effective mechanism to check that aircraft for any item that is out of place. We are taught a principle called HOT: is an item hidden, obvious or in fact in existence in the environment where it should not be. The cabin crew will go through the aircraft. When they get on the aircraft they will make two checks: one is that their emergency equipment is present, serviceable and available; and second that their aircraft—

**Ms GRIERSON**—What emergency equipment are you talking about?

**Mr Maclean**—I am talking about fire extinguishers. In the case of the manager, it would be the heart start machine and the physician's kit. Fire extinguishers at every door, of course, torches and life jackets. We have a full set of emergency equipment, which is at each, what they refer to as, primary position. Each door position has a primary crew member and a primary set of emergency equipment. We would go through, check that that is there and serviceable. Generally, the aircraft manager, the customer service manager, would then report to the captain that that equipment is present and correct. That check also includes restraint equipment, now kept in the cabin of the aircraft, and medical equipment. In addition, we would do a security check, and that is just making sure that everything in the environment is supposed to be there—that there is not an unlabelled or unidentified box in an overhead locker or something like that.

**Ms GRIERSON**—What about the famous BOB incident with a note in the toilet, or whatever it was, with a suspected bomb that could have been interpreted as bomb on board. What is your view of that? We can understand a fail-safe culture. What sort of training would someone have to say that is a significant risk, or who would have made that decision to turn the plane around?

**Mr Maclean**—I can really only speak for an operational context. If a crew member became aware of a threat to the aircraft such as this, it would immediately go up the chain of command, which is possibly, on board, the captain. It would probably go to the manger first, 'Look what I found'. Then it would go to the captain. The captain would make his own immediate assessment. It is my understanding that the captain has ways of speaking to highly trained professionals on the ground and would do that as a matter of course. There would be an assessment using criteria

that would not involve us. We would then act on the aircraft. For example, if a device was found, it is the responsibility of the cabin crew to move it or do whatever, carry out whatever instructions are issued from the ground. Again, this highlights the fact that our role is critical. Cabin crew are often seen as operating at the continuous dispatch of the pilots. This is in fact not the case. The cabin crew operate with a significant degree of autonomy. Of course they come under the command of the captain, but for most issues that happen on a day-to-day basis the immediate contact with the commander would be one of a report, not of 'what should I do?' They then may go into a consultation about how best to handle it from that point onwards, but the flight deck door is now locked and it remains locked. In the event of an incident, it does not open. Therefore, we operate with a significant degree of responsibility and autonomy, and would have to take the responsibility to move a device or disarm it if that was the direction received through the appropriate chain of command.

**Ms GRIERSON**—Are there ever less than two attendants on a plane?

**Mr Maclean**—Yes, there are. There is sometimes one attendant. That has some issues.

**Ms GRIERSON**—Which planes?

**Mr Maclean**—For example, smaller aircraft such as a DASH 8-200 series.

**Ms GRIERSON**—So, DASH 8s only have one or two?

**Mr Maclean**—The larger one, the 300, has two. I believe that the smaller one still only has one and I would have to confirm that, but I am fairly certain that is still the case.

**Ms GRIERSON**—No, I think you are right.

**Mr Maclean**—There is a whole range of issues around things like that as well.

**Ms GRIERSON**—Flight attendants are employed by an airline. You make the point that there is not sufficient consultation or tapping into the knowledge of flight attendants.

**Mr Maclean**—We believe not.

**Ms GRIERSON**—Is it the case that airlines do not consult either with DOTARS particularly? Is there a liaison system that gives advice on security, both ways? Do they advise attendants of the current risks or incident debriefs or anything like that? Then the other way around, do you get the opportunity to feed into the airlines on different behaviours that are becoming evident?

**Mr Maclean**—The airlines of course have their own expertise in cabin operations, as you would expect, and so they have their own people who are able to advise specifically. There is a good degree of consultation and coordination between airlines. We would like there to be more. Commercial imperative has historically tended to make the airlines a bit more directive than perhaps we would see as providing for the best outcomes. However, we of course have close relationships with the airlines and we talk to them regularly, although it is not formal.

**Ms GRIERSON**—There is not a formal process of security reports or security meetings?

**Mr Maclean**—Indirectly through OH&S committees that would be a formal process, but that is—

**Ms GRIERSON**—Indirectly through?

**Mr Maclean**—An OH&S committee. It is not really a security-centric function.

**Ms GRIERSON**—Do they print out circulars or anything like that and distribute them to attendants?

**Mr Maclean**—Attendants are operational personnel, and as such within the airline's operational suite of documents there has to be a whole range of manuals for the training, as they must comply with the International Civil Aviation Organisation's training requirements. Civil Aviation Safety Authority has compliance officers who audit airline training. So in that sense they are quite well regulated in terms of their safety outcomes, but the commercial aspect pressures are for that to be kept—

**Ms GRIERSON**—Lean and mean, right?

**Mr Maclean**—Well, kept on a short leash.

**Ms GRIERSON**—What about training? How prevalent is it? Is it less prevalent with low cost operators? There must be the same training requirement, but is there any difference in practice between airlines?

**Mr Maclean**—The larger operators may have more sophisticated training methodologies, but the minimum standard, which is in this country probably as high as any country in the world, in fact probably better than most, is the same for all operators and it must be met by all operators.

**Ms GRIERSON**—Would I be assured that all flight attendants are up-skilled every year or so or six months or whatever, in terms of security and safety?

**Mr Maclean**—Yes, there is mandated training. It used to be annually and several years ago it moved, after an assessment by CASA, to twice a year. So all cabin crew are safety trained twice a year and one of those training days has a component for security training.

**Ms GRIERSON**—Who is responsible for conducting that training?

**Mr Maclean**—The training is conducted by the operator under the oversight of the Civil Aviation Safety Authority.

**Ms GRIERSON**—Would DOTARS be involved in that in terms of transport security?

**Mr Maclean**—In the development of the security component of the training, I would expect so, yes.

**Ms GRIERSON**—Yes, you would expect they are. We will find out. Thank you.

**Mr TICEHURST**—You are representing the domestic side of the flight attendants, so is there an equivalent international side?

**Mr Maclean**—Yes, and in fact my previous role was the representation of the international division and I am personally an international crew member.

**Mr TICEHURST**—So, when you talk about members in the association, does that include both?

**Mr Maclean**—No, that was only the domestic and regional division. The international division is a separate division. It has its own membership base. It is substantially the same size, maybe slightly larger. Between the associations there must be somewhere in the order of 9,000 cabin crew, which would probably be the large majority of cabin crew in this country.

**Mr TICEHURST**—Would that international division have communication with DOTARS and other regulators?

**Mr Maclean**—You would obviously need to ask them, but my understanding would be not in general.

**Mr TICEHURST**—About the same.

**Mr Maclean**—No. Generally, the function carried out in that manner by cabin crew was done by myself and when I moved from the international division to the domestic division, my expertise and my contacts and the consultation tended to move with me. You would have to ask them.

**Mr TICEHURST**—The one represented here covers both sides—

**Mr Maclean**—I am only speaking specifically on behalf on domestics. However, I would point out that the comments, in my expertise, is related to cabin operations, and what I do is just as relevant to crew on an American aircraft as it is to an international aircraft as it is to a domestic aircraft.

**Mr TICEHURST**—In one of these submissions they were saying that under the Chicago convention regulations there are differences in Australian practice. In some cases, we are tighter than the international. One of the examples given was in relation to cutlery. Under the Chicago convention, you can have metal knives, but in Australia it is plastic. Do you have any comment to make as to whether we should be following the international? Is there a difference in risk?

**Mr Maclean**—In relation to international standards, ICAO issues SARPs—standards and recommended practices. They form the benchmark standard internationally, and they are generally very well considered and well researched. If a particular jurisdiction feels that their risk profile is such that they need to alter that in some fashion, such as banning metal cutlery because of some interrelationship with screening or risk profile in that location, then that would be appropriate. The ICAO standard is the minimum, and it is a standard which is applicable and appropriate.

**Mr TICEHURST**—It always seems strange to me that you can have a metal fork but you cannot have a metal knife, and as a weapon there does not seem to be a lot of difference. But I would much prefer to have a non-plastic knife—something a bit more substantial.

**Mr Maclean**—Generally the plastic ones are sharper.

**Mr TICEHURST**—Yes, probably that is true. Would you have any other comment to make on the overseas security requirements? In Australia, are we more onerous or less onerous in a security sense, other than the cutlery?

**Mr Maclean**—For some reason, as a nation we are really good at this stuff. We operate very good aviation systems. Our cabin crew are the best in the world. Our pilots are great. Our engineers are highly skilled. I am not sure what it is about Australians that make us very good complex socio-technical system operators, but we are good at it. One thing we do far better than many of our regional neighbours is that the cabin crew make that transition between safety and service very well. We have a very friendly, professional approach, but if you cross the line, the cabin crew will take positive control of the issue and positive control of that environment. That is something that we have done very well. I have to say that with the increasing focus on the commercial dimension, an element of subservience is being introduced into the role. Passengers are continually presented as being customers, as indeed they are, and representing a major financial benefit to an organisation. In that context we note occasionally a reluctance to challenge. I would have to say that as Australians, when we need to cross that line, where we need to challenge, where we need to step from that service smiling role into the role of ‘we are the police on this aircraft, we are the authority on this aircraft now and you will comply with these instructions’, we do that well. We do it better than anyone, I think.

**Mr TICEHURST**—Do you think we are over-regulated in Australia?

**Mr Maclean**—No, I do not. In fact, I would suggest that some industries just require a level of regulation, and that is the case particularly with the aviation industry. Because of the commercial impact and the commercial nature of the business, the very competitive nature of the business, we see some very innovative airline product developments spawned from commercial competition. Airlines sell basically the same product. It is a non-differentiated product; it is much the same. They seek to differentiate themselves with either service or product components of the service. What that means—and the Europeans have recognised this by instituting a committee to look at this issue—is that we see innovation brought to the aircraft very regularly, and generally that innovation needs to be in place quickly to address a commercial need. Generally the regulations that would oversight that do not exist because by the nature of its innovation. So that is why you need consultation, I believe, with professional groups such as the flight attendants. We know that in our experience product innovation can have important consequences for security. By talking to us, we can suggest issues they should consider. No-one ever asks us, or seldom asks us.

**Senator MOORE**—You have spoken a lot about consultation, and I am just interested to flesh out the particular issue of the ASIC card. What kind of interaction was there between the department and your organisation on the process of the ASIC card?

**Mr Maclean**—In the development of the legislation that underpins it—none. However, as the process closed I began to conduct this role and I went to the department and with some of the senior departmental staff, did our best to open a dialogue with the department. At that point the department seemed quite happy to talk to us. I think we had, and have, a reputation of being a quality control mechanism in that sense, and not bringing industrial issues into issues that are clearly safety based. As I said earlier, it is not academic to us; safety affects us intimately. At that point, I spoke to the department regularly. They agreed to provide ongoing consultation, and we had a period where we spoke a little bit. I would have to say that just faded away. In the bigger picture of the department, being obviously very busy conducting a major program, we slipped through the cracks.

**Senator MOORE**—Specifically in terms of the definition of fit and proper, which seems to be the most grey area in the regulation about how to get one or not, did your organisation approach DOTARS to ask for information about that, to ask for some briefings, that kind of thing?

**Mr Maclean**—Yes, we did.

**Senator MOORE**—And the response?

**Mr Maclean**—After talking privately with DOTARS, telephone conversations mostly, we ended up making a submission after the regulations were already developed. We made a submission to the Senate inquiry that looked at the aviation transport security legislation, 2003 if I am not mistaken. At that stage we read the legislation and tried to highlight areas that may have been a potential concern. We highlighted areas such as transparency and due process and tried to find some safeguards that we could have applied to the legislation in the process. We sought in every way to support that process and we did not want to water it down at all. We understood the primacy of the process and the need for us to contribute to get the best possible outcome we could, but we wanted some safeguards, and I think that is only fair and reasonable. We asked them to consider issues, which they did. They took the issues on board, but did not then continue a formal relationship with us, and they still do not.

**Senator MOORE**—As a staff association, were you and your other staff members ever given a special briefing on how ASIC was going to operate and what the processes were, and what protections there were for your members in this process?

**Mr Maclean**—From memory, Senator, early on there was a briefing; we were invited to a briefing quite early on. We did not attend. We were unable to attend. This was three years ago. In the finalisation phase of the development of that legislation—no, we were not really briefed. We had some incidental discussions about components. If we had a question, I rang up and asked them. But no, in general there was no attempt to bring us in and say, ‘Right, this is what we have done, this is the final draft version’—although we did get a final draft version—and sit down and say, ‘This is it; let us go through it together and you can highlight any alarm bells that ring for you; have we missed anything?’ No, they did not do that.

**Senator MOORE**—One of the other things we have found out is that the people in your industry tend to get their assessment done by their employer, whichever airline they work for.

From your position, where you look after a whole range of people, is there much variation between the processes undertaken by Qantas as opposed to other airlines?

**Mr Maclean**—I am not aware of much. There seems to be a fair degree of unanimity. The benchmark standard is set and the criterion is either met or not met. There may be discretion in the case of a refusal that may introduce a small amount of variability at some point, but I am not aware that that is having any major impact, and we have not identified that as an issue.

**Senator MOORE**—It is fairly standard?

**Mr Maclean**—It is fairly standard.

**Senator MOORE**—Have you identified any issues with the ASIC process?

**Mr Maclean**—The concern that the process is very secretive still exists, although I cannot say that we are suffering under major ramifications of that. However, the concern still exists that the process applied is something you really know nothing about, and the ability to ask for clarification of that process is quite limited. In our experience, the airlines will generally seek to assist and resolve an issue, for example if a different name or spelling throws up a particular person. Therefore, it has not been an overriding operational issue for our members. However, the concern still sits in the back of our minds.

**Senator MOORE**—Your industry has always been one where there have been quite serious considerations about the people who work in it, and you have been undergoing character checks before lots of other employment areas. Has there been a discernible difference between what people working in your area would have had to go through five or six years ago and now? Do people identify that it is different?

**Mr Maclean**—Security awareness is at a higher level. However, the operational crew have really always been security aware. In terms of attitude, I cannot say we are doing anything vastly different today than we were doing when I started as a cabin crew member in 1983. Everybody more clearly understands the focus and direct implications, but we have always had a very professional operational culture, and in that regard it has not changed significantly. It is far more visible now than it was. I think there are a myriad of provisions in place now that did not formerly exist, but the mindset and the daily approach of cabin crew going to an aircraft as the people who are operationally responsible for the cabin operation of that aircraft when the aeroplane is airborne is that there is no-one else. No-one else is coming to help. The crew are responsible and have the obligation for the safety of the passengers. That obligation has always been taken extremely seriously, and so I think people just continue in a very similar vein now.

I think the commercial impact now is greater than it was before, and there may be a slight lessening or tendency to vary in terms of strictness. However, the standards are quite clear and it is quite straightforward. A crew member has no obligation other than to ensure that if the standard is set then the standard is applied. It is something that I, as an aircraft manager, actually find to be an interesting side point. I am quite often put in the position where, or it is quite often indicated that I should interpret a standard. For example, people come in and they have a very large bag. They have had it on the last 10 aeroplanes and I should let them have it on this one. The crew are in the position where it is not our job to interpret the standard. It is either so many



square inches or not—the dimensions are X and you are allowed to bring it on the aeroplane—but commercial pressure is putting more pressure on us to make interpretations. It does not say in the law that you can enter an aircraft if you are drunk, provided you have a chat with the captain and the CSM and we say it is okay; it says in the law you cannot enter an aeroplane whilst intoxicated. Therefore, we have to make sure that we just apply the regulations and not interpret them. That is something that we are quite good at.

**Senator MOORE**—And, you have been doing it all the time?

**Mr Maclean**—Indeed.

**Mr TICEHURST**—I agree with you on the baggage. Sometimes you see people coming in with two or three big bags, and then they want to take up all the space and you have no room for your own luggage.

**Mr Maclean**—It is a problem and I think the airlines acknowledge it as a problem as well, and they try their best to regulate it. But it is a very difficult issue and one that places the crew often in a difficult position.

**Mr TICEHURST**—Absolutely.

**CHAIR**—The issue of air marshals. Are your attendants trained how to work with air marshals or is the air marshal arrangement totally independent so there can be no possible familiarisation between the two different groups?

**Mr Maclean**—This is one of our great successes. Because we were brought in very early with the Federal Police and the air marshal program, the air marshal management decided very early that we might actually know something about this environment that these people were going to work in and we were consulted. We helped develop aspects and provide information. It was obvious very early on that the air marshals were highly professional but knew three quarters of buggers—all about the inside of aeroplanes, or how we work. They were also subject to that demographic misunderstanding that they assumed we were all 21-year-old blonde women or something. This was our great success. I went to their training. I regularly give briefings to graduating classes of air marshals on the true nature of the cabin crew role. To the credit of the air security officers' management, they listened very carefully and I think they adopted a good deal of what we said into their operational doctrine.

**Senator MOORE**—Would you know if an AFP person or an air marshal was on board? Would cabin attendants have knowledge of that?

**Mr Maclean**—This was the subject of quite intense discussions early on when the program was developed. The current answer to that question is no. We decided that it was not necessary for us to know, as long as we were involved in the development process of their approach.

**Senator MOORE**—You are happy with that?

**Mr Maclean**—We support them. The air marshals are a vital resource. One thing that is often not understood is that they become a vital resource in the worst last possible scenario. It is in the case where—

**Senator MOORE**—Then they are going to tell you anyway.

**Mr Maclean**—death may be inevitable and so their action, even if it is unusual or involves force, is a final possibility. If you consider the hijackings in the United States, that might have been the difference, and that is the context in which we view it. This is not an ordinary operational event.

**CHAIR**—So, if you get a drunk on board that is just carrying on a bit wild, they would not step in in that position?

**Mr Maclean**—I am glad you mentioned that, because our position is that the primary obligation for the safety and the operation of the aircraft resides with the aircraft's crew, under the direction of the commander. We do not see the air marshals as a crew member. They are a very highly trained specialist resource that we now have. Part of our security training package is for crew in general to understand what the air marshals may do, because a crew member who is used to being in charge of an aircraft may find themselves under the command of a previously unknown person. We now understand how that works. I trained personally with the air marshals and understand what approaches they take.

**Senator MOORE**—So you have an effective consultative model where your organisation was involved in the development, integration and training of product in the air marshal's role, but that has not been maintained by DOTARS in further activity?

**Mr Maclean**—That is absolutely correct. I think that model really points to the benefits.

**Senator MOORE**—Of when you are effectively consulting?

**Mr Maclean**—Yes, and also I think the government expected us to automatically oppose the air marshal program. I think they were very surprised when we said, 'Okay, we are involved, we think that is a good idea.'

**Senator HOGG**—From what I glean, your members must have a great deal of confidence in the screening process that takes place, both in respect of the parcels that people bring on board as their baggage as well as the people themselves. That is a fair assessment. How confident, though, are your members that the baggage that comes on is the baggage that was screened? Is that an area requiring tightening up in terms of security? These days, as some of my colleagues have alluded to, some people seem to be bringing half the wardrobe on board with them as they get on. They have a wheelie bag and they have a bag stuck on that as well. Some of them are not bringing an insignificant amount of luggage. How confident are your people that the luggage on board is the luggage that was presented downstairs at the screening?

**Mr Maclean**—The culture of a large socio-technical system like aviation engenders in the participants such as cabin crew a trust of the tasks and duties of others. We have to trust the engineers to service the aircraft properly. We have to trust the pilots in their operation. We are

used to placing trust within the system. The system could not operate without that. Security screening is another vital component of the overall system, and so we are used to placing our trust in the system. We believe that security screening, certainly in Australian airports, is of a very high standard and we know that we continuously see operationally delays incurred at the expense of an operator to offload a bag that is no longer attached to a passenger because that person has not turned up. It is very hard to find those bags and there can be a significant delay. We know that the airline will not proceed with those bags on board. That is a visual demonstration we often see. We were not involved in the determination of screening provisions as such, so I would be unable to speak directly in their defence; however, our understanding from the greater picture, of which we have a good understanding, is that those provisions have been tightened up significantly. Certainly in terms of crew baggage there has been a huge tightening of the screening provisions, and I think that our members would generally feel confident that baggage is appropriately screened.

**Senator HOGG**—That is one issue. The second issue goes to the people themselves. You have confidence in the luggage coming on board. How confident are you about the persons getting on board? I know that when one boards an international flight you have to show your passport as well your boarding pass, whereas on a domestic flight only presentation of your boarding pass is required. Is that a potential area of concern for your organisation?

**Mr Maclean**—Even on international flights, at the door of the aircraft it is generally only a presentation of boarding pass. We are required to check every boarding pass. The pressure for an on-time departure can be very high, and at times that can make that task stressful and difficult, but we ensure it happens. Every boarding pass has to be checked for the date, the destination and the flight number.

**Senator HOGG**—But that does not guarantee that the person presenting you with the pass is the person that may well have been issued with the boarding pass to start off.

**Mr Maclean**—In fact quite often the person holding the boarding pass is not the person whose name is on it. For example, large groups of Asian tourists will generally get together amongst themselves and do a big swap.

**Senator HOGG**—Pass them around.

**Mr Maclean**—They all want to sit next to certain friends or acquaintances. There will be a group of, say, 20 people and we will make sure that there is exactly 20 boarding passes, and that everyone has one. As I understand it, and as I see quite often in operation, it is not unusual for them to say, ‘I’ll sit in your seat and you sit in my seat,’ and they have a swap. On the premise of your question, I refer back to what I said before about our trust in the system overall, otherwise the aviation system could not function. Crew being professionals have trust in their colleagues, but we cannot say definitively that a boarding pass belongs to a particular person.

**Senator HOGG**—It would only be in a heightened security situation that you might even concede that we would need to go to that next stage, of matching the person with the boarding pass to some sort of other identification as they got on board?

**Mr Maclean**—As they got on board implies at the aircraft door. At the aircraft door it would be a difficult task, and I do not even know if that is necessarily the most appropriate place to do that. At the top of the air bridge at the card reader—

**Senator HOGG**—Sorry, that is where I was referring to—at the top of the air bridge. I did not mean at the front door of the aircraft.

**Mr Maclean**—As cabin crew members we are at the front door when you get on the aeroplane. The domestic crew of course are at the card readers.

**Senator HOGG**—Yes.

**Mr Maclean**—Again, as specialists we would just operate a standardised set of procedures in response to advice and direction from appropriately trained specialists within the authorities or within the airline. They would direct us if there were any additional security requirements to be applied. Of course, one of the benefits of cabin crew is that they are very familiar with their environment and they can very quickly spot a security anomaly. They are expected to use their initiative and judgment if they thought a security issue is arising or existing. That may be to summon personnel to say, ‘I don’t believe this boarding card and person go together.’ As the manager or the captain, we could request some assessment come to the aircraft and confirm that this person is this person. In fact, I recently saw an incident such as that undertaken in London, where one of my crew came to me as a manager and said, ‘There is something going on with those two’—they were Middle Eastern gentlemen. We went off and the ground staff checked. They had come on a flight from the Middle East, and there were other markers that made it appear a valid conclusion. In the end it turned out they were seamen transferring to a ship somewhere, and the situation was normal, but the crew picked up that there was something unusual. As I recall now, the man went into the toilet for a long time, and then was behaving strangely. They noticed that and had an assessment made. Fortunately, the assessment was that everything was okay, but that indicates that you need people using their flexibility and human initiative at the coalface. You cannot just rely on regulations. You have to have people with an understanding and a crew who have generally a highly developed critical reasoning ability at the coalface saying, ‘These are the rules but they are the benchmark; my experience also comes into play here.’ That is not often recognised.

**Ms GRIERSON**—Do you think the selection processes reflect that? Do the selection processes for flight attendants reflect the need for that critical assessment of the situation?

**Mr Maclean**—Yes, I believe so. The selection criteria for cabin crew are quite onerous and quite high. I think the emphasis is probably switching slowly to the commercial aspect, but I think the ability for crew to work as a team and be able to have a critical reasoning ability is a sought-after function. It is a popular job. The crew, for example, as a demographic have a very high percentage—probably one of the highest of any occupational group—of tertiary qualified individuals.

**Ms GRIERSON**—A general question that is probably a side issue, but do you think flight attendants have specific and adequate training in dealing with people suspected of being mentally ill?

**Mr Maclean**—We could always do with more training in those sort of specialised applications. I think currently the managers, the CSMs in the Qantas context, are trained to quite a high standard and receive additional training. I think a stronger emphasis on the operational nature of the cabin crew role would see a little bit more of that training. It is very expensive to conduct and we understand that.

**Ms GRIERSON**—Specialised, yes. Thank you.

**CHAIR**—Thank you very much, Mr Maclean.

The committee has received a submission by the Transport Workers Union NSW branch. Is it the wish of the committee that the submission from the TWU dated 25 July 2005 be accepted as evidence to the sectional committee inquiring into aviation security? There being no objection, it is so resolved.

[1.52 pm]

**MIDDLETON, Professor Jason Harry, Head of Department, Department of Aviation, University of New South Wales**

**CHAIR**—Welcome. Is there anything you want to add about the capacity in which you appear?

**Prof. Middleton**—I am head of the department of aviation of the University of New South Wales. In that sense, I am representing the department of aviation, which is a school in the university, as distinct from the university as a whole, although we are the only group in the university that undertakes flight training.

**CHAIR**—Before you give evidence today, I advise you that the hearings are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The evidence given today will be recorded by Hansard and will attract parliamentary privilege. Do you wish to make a brief opening statement before we proceed to questions?

**Prof. Middleton**—Yes, I do. My department delivers flight training to over 60 students over three years, to a commercial standard in preparation for a commercial career. I am not an expert in aviation security, but I have been a commercial pilot since 1973 and have flown extensively throughout Australia. I have a bunch of points to make but I am sure some of those points will extend my submission slightly.

**CHAIR**—Could you clarify something for me. The students that you take at the university, are they the likes of a Qantas jet pilot, or do they train their own pilots?

**Prof. Middleton**—The answer to that is we train pilots, some of which work for Qantas, some of which end up working with other airlines such as Virgin or indeed overseas airlines.

**CHAIR**—Thank you. You raised in your submission issues pertaining to photo based pilot licences issued by CASA with ASIC designators, and your call to have one photo ID for both, giving them access to flight deck and airside apron privileges. Would you like to expand on that for us?

**Prof. Middleton**—Yes. At the moment, if you review the aviation security regulations and acts, they make extensive reference to ASIC but nil reference, or almost nil reference, to pilot identification. It turns out that to obtain one of the new CASA photo licences, which will be required by 1 January next year, a security check is required. Exactly the nature of that I do not know, but certainly it is a police check and an ASIO check, or I am advised that that is the case. That allows a person to fly an aircraft throughout Australian air space, to land, to taxi at any airport in Australia, but it does not necessarily enable them to walk on the ground at all. In fact, there is no facility for that photo licence to allow someone to step out of the aircraft and walk on the ground. Instead, an ASIC is required. That means that the way the regulations now sit, two

forms of ID are required for most or for all general aviation pilots. In a general aviation context, there are 180 airports now identified as being security controlled, that is it is not just Sydney, Melbourne and Brisbane and so on. Most of the regional airports where regular passenger transport services operate are also airports where flight training and general aviation operates. Therefore, our students are all going to need an ASIC card to go in and out of Port Macquarie, Wagga, Dubbo and Canberra and so on—all places they would expect to go as part of their cross-country training.

**Mr TICEHURST**—Is the training you are giving out at Bankstown basic training?

**Prof. Middleton**—It starts off with private pilot's licence and goes to commercial pilot's licence. From the flight training perspective, we give them a command multiengine instrument rating which enables them to fly at night and in all weather. In addition to the commercial licence the command multi allows them to fly any sort of general aviation aircraft up to about 5,700 kilograms. It is those pilots that perform the majority of the bush flying, charter and so forth in country Australia.

**Mr TICEHURST**—That includes jet aircraft as well?

**Prof. Middleton**—We do not do jet training. We can. We have had a couple of students do it. It is not a normal part of our syllabus.

**Mr TICEHURST**—What you are suggesting in your submission is that the requirements for a pilot licence should actually give that pilot similar rights as an ASIC card once they land at, say, a major airport for whatever reason.

**Prof. Middleton**—Yes, the lowest security card. The grey I think is the lowest security. If it were equivalent, it would save many problems.

**Mr TICEHURST**—Because really they only need access to a limited part of the airport. With the general aviation terminals it is vastly different from the access that pilots of, say, Qantas or some of the other commercial airlines would have.

**Prof. Middleton**—Exactly right. If a charter operator needs to run in and use domestic aprons for whatever reason, they can then utilise the existing systems to get an extra level of ASIC security card for those particular commercial operations, or into sterile areas, for example. For example, premiers' pilots would presumably need to have that sort of thing. My argument is really quite simple: if the photo licence served as a grey ASIC then pilots could legally get out of their aircraft and walk around in the general aviation apron area, and not have to seek an additional ASIC.

**Mr TICEHURST**—The other issue you had was that ASIC is only available at major airports. Why do you think it is so onerous a test that it can only be done at a major airport?

**Prof. Middleton**—They can't be bothered. I have the form here for Sydney airport for ASIC and I am certainly happy to leave this with you if you want to have it. Our students would not normally go into Sydney. Sydney would have the capacity to do it but why would they bother because we do not use the airport. Canberra, our students might go in there, we might have

30 flights a year. We are minor players; they do not want to know about us. My understanding is that the regional airports, which we would go into, are still to come to terms with how they are going to produce ASIC cards for their local people. Bankstown Airport, which is our home airport, is not a security controlled airport and therefore we do not need an ASIC card for our own airport. Therefore, our home airport cannot provide that for our students. So we are left in this administrative fork of not being able to find an airport willing to say, 'Yes, we will go through the process of providing ASICs to your students.' It is not a matter of cost. We will pay the costs. It is a matter of them agreeing to do it.

**Mr TICEHURST**—Is it a matter of a particular person who is authorised to deliver the card essentially going to another airport or regional area or whatever and perhaps running through the process with a number of people at the one time?

**Prof. Middleton**—They could do that. The real problem is that our students in their training would rarely go to one airport more than once or twice in their whole training. From the perspective of the airport, they are such a minor player the airport cannot be bothered playing ball with us. They have other things to do.

**CHAIR**—Would you see any problem or would you see that perhaps people with a CASA licence may not qualify for an ASIC?

**Prof. Middleton**—That is a horrifying thought. The fact that you can fly around in an aeroplane but not be able to walk around on the ground for security purposes seems rather odd, at least in the general aviation sector. In some senses even a small aeroplane is a difficult bit of gear to get around sometimes. I see no reason why a photo licence ID for a pilot licence should be any more or less rigorous than a low security ASIC card.

**CHAIR**—In the general aviation CASA licence such as you would have to fly a small Cessna, what background checks are provided by CASA on people before they issue the licence?

**Prof. Middleton**—I have the form here and I am happy to leave that with you. The CASA application form requires a signature from one of a small group of people, which include CASA officials, CASA employees, approved testers of a certain nature, flight operations inspectors, approved testing officers who are not employees of CASA and are employees of someone else but have a delegated approval to conduct tests, and so on. There is a list of persons that are—

**CHAIR**—Do you wish to put those forms in as submissions or evidence to this inquiry?

**Prof. Middleton**—Absolutely. I brought them here and you may as well have them.

**Ms GRIERSON**—The pilot ID, merging both, as you suggest, with a low level ASIC card—I am assuming this would have to be Australia-wide?

**Prof. Middleton**—Yes, the CASA photo ones are Australia-wide.

**Ms GRIERSON**—You do cross-country between states often, don't you, when you are training? You might go to Coolangatta or somewhere if you were Sydney based?



**Prof. Middleton**—Yes, our students regularly go up to Brisbane and down to Victoria as part of their training.

**Ms GRIERSON**—You would perhaps propose that a low level ASIC Australia-wide be granted as part of a pilot's licence?

**Prof. Middleton**—Yes.

**Ms GRIERSON**—To do that and comply with the regulations, those people would have to go through a security check by ASIO and therefore a fit and proper person test perhaps as well. How do you think the general aviation pilot community would feel about that? Would they be resistant to that?

**Prof. Middleton**—I cannot say how many members of the general public would not think that appropriate. My understanding of the nature of the police records check is to try to identify people who are potentially hazardous and to make sure they do not get a pilot's licence.

**Ms GRIERSON**—The chairman made the point earlier today that the people involved in the September 11 incident were trained in general aviation at small airports basically. Therefore, I guess we would see already a precedent for that sort of requirement. The Sydney Airport Corporation said the cost was about \$165.

**CHAIR**—It is \$115 plus \$50.

**Ms GRIERSON**—Well, \$115. The \$50 was a bond. Administrative costs of \$115 for gaining an ASIC. How would pilots feel about another \$115 on top of their licence fee, assuming that might have to be reviewed annually?

**Prof. Middleton**—For our pilots who are looking to a commercial career and are spending \$70,000 on their overall training, that is a minor point. I would like to refer to your earlier point. The trainee pilots who did the September 11 acts were in a system where the US had no checks. You could just walk up to an Federal Aviation Administration office and say, 'Please, sir, can I have a licence,' fill out a few forms and you were done.

**Ms GRIERSON**—You get it on the spot, do you?

**Prof. Middleton**—I believe there were zero checks in those days in the US, as there were here. There were no checks here in those days as a background for pilot's licences.

**Ms GRIERSON**—Is there any requirement on trainers to do any checks on trainees or students, or just to see the licence?

**Prof. Middleton**—CASA has a process whereby in order to get an aviation reference number, which is the precursor to the pilot's licence, the person has to fill out a CASA form which lists name, address, so on and so forth. They have to prove their identity and that material goes into CASA. CASA does these checks. The photo licence checks are now going to be more thorough than the previous ARN checks, and all this is coming in on 1 January next year. I do not think there is any problem. If the system requires two cards, I do not have any real problem with two

cards. It seems to me, personally, as unnecessary for general aviation operations. A general aviation pilot will need to access all of the 180 regional airports.

**Ms GRIERSON**—I can see it might be something that training pilots would adopt very readily, knowing that they are already committing a large cost. I guess it is the rest of general aviation who may find paying for it a nuisance, especially occasional users. Perhaps that is not your province. With your training course, is there an aviation security component?

**Prof. Middleton**—There is indeed, and it has been provided, to date, by an ex-head of security at Qantas.

**Ms GRIERSON**—Not one of the ones that were on charges or anything?

**Prof. Middleton**—I beg your pardon?

**Ms GRIERSON**—Not one of the ones that were on charges previously or anything?

**Prof. Middleton**—No, no.

**Ms GRIERSON**—That is good.

**Prof. Middleton**—It is going to be provided in a short time by Qantas security, whose members have appeared or will appear before you in any case, and who we know quite well.

**Ms GRIERSON**—Do DOTARS provide any information or any suggestions? Is there any liaison with DOTARS about aviation security training awareness?

**Prof. Middleton**—No. From a university perspective, with respect to DOTARS, we would consider that Qantas would have a leading view of the appropriate and timely nature of security in aviation rather better than the government department. We source our teaching materials from Qantas, who are our experts.

**Ms GRIERSON**—All the pilots flying, say, on commercial airlines in Australia are not necessarily trained in Australia, are they? But they still are registered as pilots in Australia.

**Prof. Middleton**—An international pilot only needs an international licence to fly on an international operation throughout Australia, of course. One can fly in Australia in an Australian registered aircraft only with an Australian licence. If a wealthy person flies in from overseas with their business jet registered in the US, they can fly that aircraft themselves, or their pilots, around Australia—

**Ms GRIERSON**—But they cannot hop into one of our planes?

**Prof. Middleton**—But they cannot hop into one of ours, no.

**Ms GRIERSON**—Thank you.

**Senator MOORE**—I would just like to double-check. In terms of the new CASA photographic licence, is there any kind of police check or security check with that?

**Prof. Middleton**—Yes, there is.

**Senator MOORE**—I thought you said that and I was just double-checking.

**Prof. Middleton**—There is a police records check form with this. I do not understand to what extent ASIO or anyone else is checked about this. I thought CASA passed this on through to ASIO as well, but I am not an expert in the nature of the extensiveness of the checks.

**Senator MOORE**—Have you asked the department?

**Prof. Middleton**—Have I asked DOTARS? I wrote a letter to Mr Michael Taylor some 2½ weeks ago and have not had an acknowledgment that it has been received yet.

**Senator MOORE**—It is just that the points you have raised in your submission seem to be subject to quite straightforward questioning in terms of what is the difference between these two forms of certification, and have you considered combining them. That is the guts of your—

**Prof. Middleton**—I have written to Mr Taylor. I have not written to the minister, because the minister is changing modes, so to speak. I have written to Mr Taylor as a first instance alerting him to these issues and asking why it cannot be done. I have not yet had an acknowledgment that my letter was received. I will be following that up.

**Senator MOORE**—Are any other universities involved in teaching aviation? Is it just yours?

**Prof. Middleton**—No, there are other universities in other states. Most of them, with the exception of the University of South Australia, do not do their own flight training; they leave that to flying schools.

**Senator MOORE**—Like a subcontract?

**Prof. Middleton**—Yes, but all of the flying schools in Australia in essence have the same problem that we do of wanting to send their students, particularly at the commercial licence stage, out around the traps to land here, to land there, to get the experience of different airports and different weather conditions, which is required as part of the syllabus. So they are all in the same business. There has been some communication between a number of us on these issues, about how are we going to get our ASIC cards. No-one seems to want to play with us bit players. The Bureau of Transport and Regional Economics wrote in a report in 2005 about general aviation flying in Australia that GA contributes over \$1 billion to the Australian economy. It is thought to be a small sector because there are little aeroplanes here and there, but there are a lot of them.

**Senator MOORE**—We had evidence from one of the general aviation airports this morning, and one of their issues was that they considered that lots of people in that industry were still fairly unaware of what the impact of the changes is going to be, and exactly understanding how they fitted in the whole process. Your statements tend to agree that there is still a need for more

information and understanding on the whole area of, not so much security but the changes in the legislation and regulations.

**Prof. Middleton**—Perhaps it is on your desks here; I declined to download it this morning. The regulations are over 200 pages; the act is a hundred and something or other—400 pages of trees. I just scanned it for ASIC and pilot's licences and so on to pick out the key features, to make sure I was along the right way. University people are a little bit used to chasing through regulations and so on. There are a number of changes now in the way that CASA is requiring operations to be undertaken and operators are struggling to come to terms with that. This is another matter for them to contend with. By and large, I think most general aviation operators think that the security issues are getting ahead of themselves, particularly in the country. I mean, there is not even a fence around most country airports, except to keep cows out. Bundaberg has a beautiful glass gate. If you come through the terminal, there is a big glass wall and a locked gate, and you cannot get through. If you do not come in through the terminal and go to the GA sector, there is a low old wire gate you just open normally, and you walk through. So people can walk around like Brown's cows on the apron if they choose, and walk over to the RPT area. The only thing to stop them is a bit of commonsense and perhaps a couple of cabin crew members.

**Senator MOORE**—Is that a lack of understanding, a lack of training?

**Prof. Middleton**—It is not the pilots that do this.

**Senator MOORE**—No, it is the organisation.

**Prof. Middleton**—It is the general public. I think you will find pilots are more aware than most people, and if there is an RPT operation they will not go near it. They know they are not wanted and will stay well away. If they want to use the apron or the refuelling bowser, they will do that after the RPT traffic has gone. But members of the public can just wander around, and do on some occasions.

**Senator MOORE**—There seems to be a proliferation of participating groups that have come out of the department in terms of involving different segments of the industry in a whole range of things, but on this particular point, security, is there any formal link between DOTARS and training institutions like yours, and other universities and training schools, where there is a formal way that the department communicates with you at a regular time about changes, what you need to know and how you work with them?

**Prof. Middleton**—Not at all. CASA is the regulatory body for all aviation in Australia—general or commercial aviation, general flight training and so on. CASA promulgates new rules and regulations ahead of time as notices of proposed rule making so that people have a chance to communicate. Then they implement the proposed rules. Everyone in the aviation industry has every opportunity to bring themselves up to scratch with changes which are introduced in the regulatory context by CASA. DOTARS plays no role in that.

**Senator MOORE**—There is no formal link?

**Prof. Middleton**—There is no formal or informal link. All of the aviation safety seminars are run by CASA. DOTARS runs nothing of a public nature or an informative nature. In fact, I do

not even think it is even legal for DOTARS to have a list of pilots under the Privacy Act. CASA has the list, but under the Privacy Act I do not think they can give it to DOTARS.

**Senator MOORE**—DOTARS is the owner of the ASIC process and the security process.

**Prof. Middleton**—Yes, I know, and it is part of the problem. By regulation, CASA is supposed to control every aspect of aviation operation and safety in Australia. DOTARS, for lots of reasons I do not think we need go into, has control over the security aspect of it, and therein lies the problem. You have two agencies talking but they cannot talk about certain things. They cannot give a list of pilot's licences; they cannot do this, they cannot do that. It is arguable whether under privacy legislation they can exchange information about individuals. I am not talking about terrorist suspects, I am talking about the average man or woman. Part of the problem is this joint agency responsibility, and it is creating some of the confusion. The other part of the confusion is created because the airports vary from being separated, such as Townsville, where it is reasonably well separated between GA and RPT, and Newcastle, RPT and GA, where you have different segments, to others where all sorts of aeroplanes use the same apron at once.

**Senator MOORE**—Thank you.

**CHAIR**—When you enrol students in your course, do you do your CASA check on them there and then before they proceed in the course?

**Prof. Middleton**—We do five hours of flight training, which are always dual, in January for our new entrants. They then do academic work and do not proceed with the remainder of their flight training until September. We ask that our students get a medical certificate before they even start this flight training. That means they have to go through getting their aviation reference number, which next year will mean they have to get a photo licence, before they even get their medical certificate and before they get to fly. In the event that they do not do this for some reason, such as they have come from overseas in a hurry, the issue is not too bad because they only ever fly dual with an instructor for the first five hours. They can never undertake a solo flight without having the photo licence, even the first solo circuit.

**CHAIR**—I am more concerned at the moment in relation to a person spending their \$70,000 and then finding out they do not meet the criteria, security wise, to get a licence.

**Prof. Middleton**—In order to get the aviation reference number—which is part of proceeding through from student licence to commercial pilot—requires the security check. If they do not get that, they cannot start flight training with us. They can do the first six hours but they cannot proceed to going solo, let alone going into the commercial area.

**CHAIR**—Thank you very much, Professor.

**Prof. Middleton**—I hope we can get a solution, because we are going to be left with pilots who are eligible to land and drive around airports and not eligible to get out technically and legally after 1 January, unless we can get them an ASIC card. We need one of the two solutions, please.

**CHAIR**—The committee is looking at the whole of the situation and will make its recommendations.

Is it the wish of the committee that the application forms from Professor Middleton be received as evidence? There being no objection, it is so ordered.

**Proceedings suspended from 2.20 pm to 2.44 pm**

**NIGHTINGALE, Mr Glenn James, Senior Airlines Official, Transport Workers Union, New South Wales**

**NYOLS, Mr Nimrod, Official, Transport Workers Union, New South Wales**

**CHAIR**—We will reconvene. I welcome representatives from the Transport Workers Union to today's hearing. Before beginning, I advise you that the hearings today are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as contempt of parliament. The evidence given today will be recorded by Hansard and will attract parliamentary privilege. We have received your submission which we have called submission number 54. Do you wish to make a brief opening statement before we proceed to questions?

**Mr Nightingale**—Yes, we would, Mr Chairman. Firstly we would like to say that the Transport Workers Union does not consider itself a security expert within the airline industry, but I would like to put some context of where the Transport Workers Union sits within the Sydney airport and other airports throughout Australia. At Sydney airport we have 4,000 members, most of whom work in security restricted areas. The break-up of the type of workers at the airport are: aircraft refuellers, cabin cleaners, caterers and catering drivers, ramp workers and baggage workers, freight operators and pushback tug operators for the aircraft. We also look after the bus drivers on the airport, as well as toilet and water trucks that service the aircraft.

**CHAIR**—And the catering vans as well?

**Mr Nightingale**—And the catering drivers and vans, as well as the caterers, that is correct.

**CHAIR**—Do you wish to say anything, Mr Nyols?

**Mr Nyols**—No, that is fine.

**CHAIR**—Okay, thank you. In your submission, you detail a range of breaches and how, in large part, members of your union were the people who confronted these people until security staff arrived. We were advised yesterday on our tour around the facilities at Sydney airport that part and parcel of everybody's job at Sydney airport is to have a confrontationist type role to anyone who is not wearing an ASIC or a known person in that situation. Whilst I recognise the incidents outlined there, do you not see that as part of your job, as detailed to us by Sydney Airport Corporation, to confront strangers who are there and take appropriate measures to get security to the situation?

**Mr Nightingale**—Yes, Mr Chairman, we understand there is an obligation on all ASIC holders at the airport. Obviously you are referring to an incident that happened last Thursday where there was a confrontation with one of our members. What we are stating is that, in light of 9-11 and the terrorist attack, it is more than just an obligation to find people wandering around the airport. These people should not be inside the perimeter of the security restricted airline industry tarmac at the airport. Certainly there is an obligation but it does not extend to

confrontation, manhandling people, which security guards and Federal Police and the other agencies are authorised and trained to do.

**CHAIR**—Just for the information of the committee, relating to 12 July, you state in your submission:

A member of the public gains access to tarmac by walking through an unarmed security door at the International terminal and sat on a piece of machinery on the tarmac until being located.

Can you perhaps just detail that one a bit more for us?

**Mr Nightingale**—From the information I have received, on the Tuesday night a female had penetrated the area through some security doors. I am not sure how she penetrated those areas, but she wandered around on the tarmac in the international airport for some time. She found her way across to, I think, bay 34, around where Menzies World Cargo operates and sat herself on a piece of machinery. She was apprehended by the Federal Police but at this point in time I am not 100 per cent sure from the information I have received if it was one of our members that identified her or the Federal Police.

**CHAIR**—Okay. On 14 July, some two days later:

Individual gains access to International tarmac through perimeter fence, wearing a backpack. Is able to proceed some 300 metres to be within a few metres of airplanes before being challenged by a TWU ramp worker. Security only apprehend the individual after the TWU ramp worker alerts them to the security breach.

Whereabouts was that? Near the general—

**Mr Nightingale**—Gate 26 is on the northern side of the international section, where he has gained entry and cut through the fence, from information I have received. He made his way through the tunnels underneath the airport where the baggage handlers work and appeared on bay 20, right in the middle of the airport. Yes, he did have a black beanie, and the particular member who confronted and controlled him, and actually grabbed him, is Wally Said. I spoke with him today. He stated that he had black gear, a shoulder bag and had a long beard and was wearing sunglasses at quarter to eight at night. Mr Said has taken it upon himself to get there and grab this man—we do provide security awareness training for our workers—and he apprehended him in a fashion and the other workers notified the Federal Police who then handcuffed him after a bit of a struggle, I am led to believe.

**CHAIR**—If we go back, he actually cut through the perimeter fence?

**Mr Nightingale**—That is my understanding. There is some construction work happening up on the northern side of gate 26. In the past fortnight, two security guards have been positioned at that gate, so he has gone within that vicinity, through the interline and under the tunnels of the airport and made his way to bay 20.

**CHAIR**—Was gate 26 one of the padlocked gates?



**Mr Nightingale**—The actual gate is a security access ID gate with two guards. Where he apparently gained access was a number of metres, whether it be 100 or so metres, from there and penetrated the gate through there.

**CHAIR**—They are the two that you refer to in your submission?

**Mr Nightingale**—They are the two recent events, and there are quite a number of other events that we have not itemised today.

**Mr Nyols**—I would just add that in terms of the point we are trying to make with these incidents, whilst members of our organisation did the appropriate and responsible thing, they are still examples of systematic failures of security control. There are issues about inadequate procedures and protocols that are operating in terms of coordination of security, and part of that is the usage of the ASIC system.

**CHAIR**—I understand from what you state in the submission that one of your concerns is that there is labour contracted in from companies like Virgin and Patricks through Aero-Care when up to 20 of its workforce are on visitor or day passes. Our understanding from the information provided to the committee is that anyone who has a day pass must have somebody with an ASIC with them at all times. Is that the case in your experience?

**Mr Nightingale**—Our experience at the airport is that these contractor companies have a high turnover of their staff. The grey area, as we call it, is that the visitor's passes are for visitors; they are actually using them for their extended workforce for up to three months while awaiting their ASIO and Federal Police background checks. Our experience is that they are not properly monitored and they are allowed to go ahead with their daily duties separate to other workers who are performing their daily duties, such as baggage handling at Virgin.

**CHAIR**—Are you saying that it takes three months for an ASIC check?

**Mr Nightingale**—It used to be about three months; it may be slightly shorter or a number of weeks, but it takes several weeks, possibly up to three months to gain those ASIO and Federal Police background checks.

**CHAIR**—That is very interesting.

**Mr Nightingale**—It is a grey area; it is a loophole in the regulations that members of the Transport Workers Union find rather frightening and unsafe.

**CHAIR**—Well, on those issues of security, I am sure that when we recall Sydney Airport Corporation to give further evidence, as we did not finish our discussions with them this morning, we will visit that more fully with them. I do congratulate your workers on taking appropriate measures to prevent any deeper incursion than what actually occurred. Members of the committee, do you have questions?

**Senator HOGG**—I just want to understand the issue of the ASICs from your perspective. When a new worker starts are they issued with an ASIC straight off or do they have to wait a period of time and have some interim sort of arrangement?

**Mr Nightingale**—In my understanding, there are two fundamental visitor's passes. There is a day pass which is a sticker on the garment, and a particular person will sponsor that person and technically that person should not let that person get out of his sight, as a visitor. A number of workers work with these day passes, and they are issued with a new day pass every day. It should dissolve within a 24-hour period to stop anyone from abusing that system. I do not have evidence to say that someone is working with a day pass for a number of days, but they should have it reissued. Then there is an extended visitor's card which is similar to the ASIC, which will have a photo. It will be sponsored by the company or the contracting company, and that card is worn around their neck or on their person. They still have to be sponsored and walked around in the particular security restricted areas. Hence, even if they go to the toilet, that person needs to be with them, and if they go to the lunchroom—that is where there are some grey areas. People toddle off and say, 'I am going to get a sandwich,' so they should be escorted at all times on both of those passes, if I have made myself clear enough.

**Mr Nyols**—There are people working at the airport who have not had ASIO or AFP background checks. I think that was your specific question.

**Senator HOGG**—Yes, I was just trying to get a feel from your perspective as to what happened from day one. Were these people cleared from day one or were they still the subject of some verification as to the final issue of an ASIC from day one?

**Ms GRIERSON**—How long could it be from day one to actually getting their pass?

**Mr Nightingale**—I apologise if I went around in circles. With both visitor's passes, you are not cleared from day one; you are sponsored, and from that moment, if you apply for a full ASIC it will take a number of weeks up to three months before you are cleared. So, you can actually work on the airport with a visitor's pass without having ASIO and Federal Police thumbs up that you are cleared. That is the concern that we have raised for a number of years.

**CHAIR**—In your experience in and around the airport, do you often see people with visitor's passes who do not have their sponsoring person with them?

**Mr Nightingale**—We certainly do, and our members have highlighted that on numerous occasions.

**Ms GRIERSON**—Who would you highlight that to?

**Mr Nightingale**—To their local manager, but they highlight it to me that they have raised the concerns, and we have put it in our correspondence to the various authorities over the last four years raising those concerns.

**Senator HOGG**—I think you said you have in the order of 4,000 members on the whole airport site?

**Mr Nightingale**—Correct.

**Senator HOGG**—Are they substantially a full-time workforce, or are they a casual workforce where they keep rotating in and out? I mean, do you get the casual turnover of staff as opposed to the consistency of a full-time workforce?

**Mr Nightingale**—You find in the majors like Qantas, the majority of people are either full-time or part-time. There is some casualisation, but it is very, very small. About one per cent of their workforce is a top up through labour hire companies. Those people must have an ASIC before they are engaged on the Qantas work.

**Senator HOGG**—Sorry, labour hire companies must have it before they are engaged?

**Mr Nightingale**—It is part of the requirements with Qantas.

**Mr Nyols**—Not necessarily with other operators.

**Senator HOGG**—Not necessarily with other operators?

**Mr Nightingale**—No.

**Senator HOGG**—So, there is a difference from operator to operator?

**Mr Nightingale**—There certainly is from Qantas, being the major player, right down through to Aero-Care which is one of the contracting companies where we have huge concerns of their turnover and about the ASIC visitor's passes without ASIO checks. They tend to do pockets of work within various companies, such as Virgin, and they do some baggage work there as a top up for their labour; also with Australia Express, they do some top up labour in there. They do some other work, like Hawaiian Air and Air Pacific, Virgin Pacific with their huge turnover. They are casual workers working for that company. The other majors, like Australia air Express, Virgin and Menzies in the ground handling area are predominantly full-time and part-time with little or no casualisation.

**Senator HOGG**—What is the turnover rate like in those areas?

**Mr Nightingale**—It is quite reasonable. People like to continue to work with Qantas, so it is very minimal.

**Senator HOGG**—So, it is a relatively low turnover rate. One would expect, therefore, there is reasonable consistency in terms of the people who turn up to work from day to day?

**Mr Nightingale**—Exactly right. But if I may just move on to the security at the airport, the majority of the security guards are contracted out to companies such as SNP, Chubb—well SNP pyramid contract out. We find that a number of those security guards—or some of those security guards—have been identified as not having background and ASIO checks, and also there is a high turnover of those particular guards within the area, because they are predominantly casuals working with an outside contracting company.

**Senator HOGG**—Do you cover the security area as well?

**Mr Nightingale**—No, those security areas work hand in hand in security restricted areas with our members. They in turn notice if people do not have the background checks, like they must have, and it raises concerns. The high turnover of the casualisation of security guards is a concern also.

**Mr Nyols**—We do not have coverage over security guards, but our members come into direct working contact with those people, and the security guards are meant to be the ones watching everyone else to make sure that everything is working okay.

**Senator HOGG**—We are not talking about the people at the screen here, we are talking about the security guards who might be touring the perimeter.

**Mr Nightingale**—On foot, both landside and airside.

**Senator HOGG**—Right.

**Mr Nightingale**—Those working airside should have the ASIC checks. As to those on landside, a lot of them are on visitor's passes. I have personally witnessed that. They are a mobile reporting agency as a security guard, not the static guards on the screening areas for the public, which is landside.

**Senator HOGG**—With respect to the labour hire companies, how many of those are involved in areas where you have members working?

**Mr Nightingale**—As in numbers on a daily basis?

**Senator HOGG**—Is there just one principal labour hire company?

**Mr Nightingale**—Aero-Care, 100 workers a day.

**CHAIR**—That is the visitor passes?

**Mr Nightingale**—No. On visitor's passes, we say up to 20 per cent, so one in five.

**Senator HOGG**—One in five of their workforce that present themselves daily would be on visitor passes?

**Mr Nyols**—Up to that, on any given day, yes. These people are coming up alongside aeroplanes, alongside the airline refuellers, and—

**Senator HOGG**—What sort of work are these people who come in through the labour hire company, Aero-Care, doing?

**Mr Nightingale**—They are loading the planes with the machinery, FMCs, which load the large canisters onto the planes of internationals. They are handling all the baggage for Virgin, which then goes out to the ramp workers to load on the plane. They are handling the majority of the overnight freight and cargo of Australia air Express, another large freight company.

**Senator HOGG**—Any other labour hire companies?

**Mr Nightingale**—One is Blue Collar Recruitment that provides top up labour for Qantas. The numbers on any given day would probably be about 20, but part of the condition through Qantas and the union membership is that these people will not work there unless they have the ASIO checks. That has worked well, so they were not permitted to work on a visitor's pass.

**CHAIR**—Are you saying that the people who come in with Aero-Care have no background checks at all done from the labour company?

**Mr Nightingale**—Some people.

**CHAIR**—For the people on visitor's passes?

**Mr Nightingale**—Yes.

**CHAIR**—Yet the people engaged by Qantas on day passes have already had ASIO checks?

**Mr Nightingale**—They will be ASIO checked before they are allowed to work side by side with a worker. So, if they do not have the ASIC, Qantas and their workers would not work with those people without clearances.

**CHAIR**—They are not issued day visitor passes; they have their own ASICs?

**Mr Nightingale**—They have gone through the background checks and then they are engaged on site in the baggage rooms and the ramp work.

**Senator HOGG**—If I can put it this way, Blue Collar is running an operation which has a pool of labour that can be made available to Qantas from time to time to meet needs as they arise?

**Mr Nightingale**—That is correct and they are pre-screened.

**Senator HOGG**—They are pre-screened. Whereas Aero-Care seem to be providing a base of labour to perform a range of tasks or a substantial task, if I understand it correctly, and it is not organised necessarily, from the way I read it, in the same way that Blue Collar do it; is that a fair enough assessment?

**Mr Nightingale**—That is pretty close to the mark.

**Senator HOGG**—How many Aero-Care people would there be on the site at any one time, do you know?

**Mr Nightingale**—There would be 100 in a 24-hour period at Sydney airport.

**Mr TICEHURST**—In your submission you refer to serious concerns. Why are you saying that a lack of single aviation security coordinator body causes you concern? What are your main concerns there?

**Mr Nightingale**—The problem is with the chain of command, with security guards that are contracting out. We have a number of authorities and bodies at Sydney airport, and while not trying to give you a lesson, there are APS, Sydney Airport Corporation, Federal Police, state police, the hazmat, fire brigade, the ambulance, SNP—they used to be called Sydney Night Patrol—we have Chubb Security and other security that we are not aware of, Qantas security, AQIS quarantine, Customs and Immigration. All things said, there are issues with anti-terrorism; people breach the perimeter and Customs issues; narcotics through the Customs. There should be one national coordinating authority so when there is an issue, it can be dealt with appropriately, and the appropriate people can have the right answers. We believe that there are a number of holes within this reporting mechanism, which is like Swiss cheese.

**Mr TICEHURST**—While you have examples for Sydney airport, the same sort of thing you would imagine happens at other major airports around the country?

**Mr Nightingale**—My understanding is that it is very similar at the other major airports.

**Mr TICEHURST**—Fair enough. Also, you have a serious concern with the failure to screen 100 per cent of international and domestic luggage. What is your assessment now of how much luggage is actually screened?

**Mr Nightingale**—From our information, it could be up to 40 to 50 per cent that have actually gone through a checked bag screening system. It is a bit of an antiquated system, but it is owned by Sydney Airport Corporation at the international. The other 40 to 50 per cent is apparently checked with a swab at point of entry at check-in. But what we find is that we are not sure if these bags have been checked. They come down through to our baggage handlers, and there is no sticker to say that they have been screened or if a wand has been used over them. Quite often the machine at the airport breaks down, a number of times per week, and our understanding from our international baggage handlers is there is a percentage of bags that come through unscreened, raising the concern. So, we are not clear if these have been checked bag screened through the machine, bearing in mind that they only check for explosive devices and they are only as good as the wand that actually wipes over the handle, but we are not sure if they are screened. We believe that they should be identified that they have been screened for our workers to safely handle not only the freight but also the luggage.

**Mr TICEHURST**—If you look at the history of risk, do you think it is a valid concern that each one should be stamped to show that they have been through the screening process? It could be an expensive operation to do that.

**Mr Nyols**—We do not necessarily say that we have specific answers about what the process, the system or the protocol should be, but someone needs to work some system out so we know what is moving around, if it has been cleared and if it is safe. Glen can give examples, but if something comes in on the belt and it falls apart, no one knows if the bag has actually been checked. We had an instance where a white substance came out of a bag, and no one knew how

to deal with it or what was the appropriate course of action to take, because no one knew if it had been checked prior to hitting the belt.

**Mr TICEHURST**—But screening would not have picked that up, though?

**Mr Nightingale**—It has the capability of picking it up.

**CHAIR**—What, anthrax?

**Mr Nightingale**—No, as far as substances within people's luggage. Because Quarantine and Customs use the same checked bag screening on the way in, so they can detect organic substances and devices through that screening. My understanding is that the people are trained to do the checked bag screening through the x-rays.

**CHAIR**—I hate interrupting, but I need a point of clarification. Are you talking about baggage that is coming in or baggage that is going out?

**Mr Nightingale**—People flying out of Australia.

**CHAIR**—When we were at the airport yesterday, they showed us where the people were lined up in the zigzag, whatever you call it, the dogleg, and all the bags were wanded and had a sticker on them, and they would not be accepted unless they had the sticker on them. You are saying that there is no sticker identification process?

**Mr Nightingale**—No, it is inappropriate. Our baggage handlers are saying that the number of bags—I will clarify it; there are some that come with stickers and some of the freight also have stickers, but our understanding is that 50 per cent that go through the checked bag screening, there are no stickers, and not all the bags that come down have a sticker. Now, they may have come off on the belt system. The checked bag screening does not put stickers on it.

**CHAIR**—That is why I needed a point of clarification. We were told that no bag can be loaded on an aeroplane unless it has the sticker on it.

**Mr Nightingale**—That is not true.

**CHAIR**—We are talking at international.

**Mr Nightingale**—That is not true, because we would not get a flight out. Not one flight internationally would take off today, not one flight.

**Senator MOORE**—Bob, I think a certain percentage of them; it was not every bag. It was a certain percentage.

**Mr TICEHURST**—Certain flights have that trace check, and they were stickered.

**CHAIR**—Okay, I am getting nods from up the back there from Sydney Airport Corp. I was under the impression—I do not fly internationally that often—I was under the impression that

they all had the wand and the sticker on. Keep going, sorry, I just needed to clarify that for other members of the committee.

**Mr Nightingale**—So, there is a bit of an ad hoc, some stickers, some not. If we were to adhere to them on stickers, not one flight would go.

**Mr TICEHURST**—Things like powder would not be picked up, because primarily they are looking for explosives. My concern is that in some cases we might have gone overboard. If we talk from terrorism point of view, which I guess is your main concern, we had that major incident on 9-11, but since then all the other major terrorist attacks have really been ground based, either trucks loaded with explosives or suicide bombers walking into crowds of people, and now recently we have had these incidents on trains. I am wondering if you can go overboard on security at airports and put a huge cost on it for what risk? I think that is something we probably need to temper with the actual experience.

**Mr Nightingale**—We have the technology. The technology exists with the checked bag screening, and we just need to get it right.

**Mr TICEHURST**—I think they are doing that. From what we saw, by about this time next year, all baggage will be 100 per cent checked with the x-rays. Then to put a sticker on it to say that it has actually been checked would add on another cost. That would not be an easy situation when you have these bags flying around at a fair rate. They said that in one terminal, I think it might have been T2, they can do somewhere between about 12,000 to 18,000 bags per day. That would be a huge cost operation.

Another point you make in your submission is about the lack of security at regional airports. I know sometimes when I have actually flown on a Dash 8 coming up from Canberra, you walk off the bus and going into the terminal we have actually been screened again, both hand luggage and, of course, personal screening. If you look at all the regional airports, to put in the sort of screening that we have in major airports would be a huge cost, and again for probably not a lot of gain. Are you suggesting here that the security level at regional airports be similar to that at Sydney, with individual screening of bags and people?

**Mr Nightingale**—There have been some improvements in the regional areas with CCTV cameras put in a number of regional areas. I suppose we are coming from it is not costs, as such; we are looking for the safety of the travelling public. I heard earlier that people can just jump the fence and walk the airport. They just need to improve the areas, and obviously screening passengers in regional areas would not be a great cost. It is the comfort when you are at 30,000 feet to know that these people have been screened.

**Mr TICEHURST**—With due respect, it would be quite a cost to have that level of security at regional airports. There are lots of them and relatively few passengers compared to the numbers going through Sydney.

**Mr Nyols**—I totally appreciate what you are saying about the dollar implications, and I understand in terms of what has been happening, particularly with terrorism world wide, that it shifts and changes. We raise it as a concern, and it is of concern to our members because they have to deal with this stuff every day, whether they are baggage handlers putting bags into the



hold of an aeroplane and they not knowing if an explosive is hidden in what they are putting in. Obviously with Mascot being our most sensitive airport in the country, if we have a certain level of security that occurs there, but then the security levels at other domestic or regional airports are at a much lower level, if, heaven forbid, something was going to occur, that is just opening up a hole that could be utilised.

**Mr TICEHURST**—But I guess the experience has shown that that has not happened; nobody can say it is not going to. In many ways I think we have been over regulated in so many areas, not just aviation. I am loathe to put more and more regulation on. I come from a manufacturing background, large and small business, and there is so much regulation and red tape that just adds to cost, and eventually it is the consumer who pays the price. We can price ourselves out of so many areas by adding unnecessary costs. We had security people here this morning, and from the point of view of freight, if you look at screening every item of freight—from a parcel to a packet to a pallet or to a container—it would be an enormous problem compared with screening baggage. I am not sure where we are going to go if we get too concerned about making sure that every item that goes on a plane is screened.

**Mr Nyols**—If I could just briefly add to that. Particularly in the last six months, every time there has been some major issue of security involving aviation, it has drawn a response, particularly from the federal government, about increasing regulation and checking the individual. We are not saying that we are opposed to that, but we think it is not just about the people.

**Mr TICEHURST**—Sure. That must be tempered too. I agree, that needs to be tempered, and unfortunately sometimes government departments are also responsible for over regulating, and I agree with you there. We did a perimeter drive around most of the airport yesterday, and there is a lot of area there where you just could not fence. We heard somebody else here earlier today talking about fencing on airports. Well, it is pretty hard to fence around any of that access to the bay, but generally anybody who did get access there probably would not get too far before they were apprehended. Certainly your members are to be commended for apprehending people they see in the work areas. We had an incident in Parliament House one day when someone jumped over the gallery right behind government members, and we were on top of that bloke before security could get to him, so I know exactly what you mean. But that is part of your duty, for fellow workers to look after one another. Just one other question on workers on the airport. I think you said you had about 4,000 members?

**Mr Nightingale**—Yes.

**Mr TICEHURST**—How many people work on the airport who would not be members of your union working on the landside and the airside areas?

**Mr Nightingale**—It is about 85 per cent density, so we would add 15 per cent on top of 4,000.

**Mr TICEHURST**—So, you have pretty good coverage there?

**Mr Nightingale**—What is that, about 600 people that choose not to be in the Transport Workers Union.

**Senator MOORE**—In your coverage?

**Mr Nightingale**—Yes, in our area of coverage.

**Mr TICEHURST**—What about the contractors? How many of those people are union members?

**Mr Nightingale**—Blue Collar, 100 per cent; with Aero-Care, it is less than 50 per cent.

**Mr TICEHURST**—You also made a comment about the failure to have tripartite involvement with government industry and unions in security arrangements. You started off by saying you guys are not security experts, so where would you see the union being involved as part of a tripartite arrangement?

**Mr Nyols**—If our members find areas or failures of procedures or protocols or the lack of them and the need for them to exist, it is necessary that we have some access to a forum to which that can be communicated directly. To date we have not been successful in achieving that. We keep raising the same concerns that we have for the last four years. We see that as a possible positive solution for when things occur and to put up constructive solutions.

**Mr TICEHURST**—Have you raised those concerns in there with the Sydney Airport Corporation? Is that the main employer?

**Mr Nightingale**—Certainly, and the Department of Transport and Regional Services, the Prime Minister's office and the like. We have requested for probably a number of years through SACL and DOTARS to be part of a monthly aviation security and safety committee that meets, and we have requested to be part of it or be invited to attend. Our 4,000 workers are on the ground and they are at the coalface, to use an old cliché, in these security restricted areas. They raise these concerns and we believe that we could offer some value to these monthly meetings for Sydney Airport Corporation.

**Mr TICEHURST**—How many other unions operate on the site?

**Mr Nightingale**—The Australian Services Union, with the check-in people, Australian Miscellaneous Workers Union, the Australian Manufacturing Workers Union, ALAEA—there are probably about half a dozen major unions within it, and a lot of those members are not in security. The ASU, the clerical side, are not in the security restricted areas; the metal workers tend to be over at the jet base away from the coalface jobs that we have. Our people are right at the forefront, working in and around the planes. The ALAEA and the engineers are in and around the planes.

**Mr TICEHURST**—In terms of numbers your union would be the largest?

**Mr Nightingale**—Undoubtedly, on the airside.

**Mr Nyols**—Definitely in the security restricted areas we would be by far the largest.

**Senator MOORE**—I will just follow up on that last point. In terms of the consultative arrangements, you said you have been raising for four years of so your keenness to be involved in some kind of regular process. What is the response?

**Mr Nightingale**—Well, the response is that we may get an invitation. ‘They are the major companies’ is the response, that meet on a regular basis. An invitation is probably the best we can get. We have asked for an invitation to try to initiate it.

**Senator MOORE**—You said that you have requested it. Have you had a full briefing on the SACL security plan?

**Mr Nightingale**—We have not had a full briefing, but I have had some regular discussions with the head of security, Mr Ron Elliott. We thought we had some inroads last year when there was a briefing with our full delegates in December, which was a movement in the right direction. I am hoping that we could take it further. But there are some regular discussions; same old thing that is within the mandate of the rules and regs that the federal government has set in place.

**Senator MOORE**—When you read your submission and the submission from the major company, there is a great deal of agreement there. It is just trying to find out, when they are working for the same end, why there is not more cooperation—or is there cooperation and it is just not formal?

**Mr Nightingale**—May be through this—

**Mr Nyols**—We believe that that is another issue that can be resolved with having a single coordinating body. Because there are so many different players involved in different aspects of security, particularly at Kingsford Smith, it is more by lack of design than anything else that there is difficulty being able to coordinate and share information properly. It affects our members as well.

**Senator MOORE**—I have two questions on the ASIC process, because that has been involving all the people as much as possible. What kind of information were you given as the union about how the ASIC process was going to work? Was a full briefing given to the delegates or the members about how ASIC was going to be handled at SACL? I am already using those stupid terms! How was ASIC going to be done at the Sydney airport?

**Mr Nightingale**—Last year there were the changes to the ASIC. The Sydney Airport Corporation did brief us with the changes that were to occur, and obviously with the background checks, and also a testing regime, and they did actually sit down and run through that with us. That was certainly a good move, that people actually understand why they have it around their neck and what comes with that authority. There have been discussions over the last couple of years about the ASIC.

**Senator MOORE**—What is your understanding of the fit and proper person’s test?

**Mr Nyols**—We are not totally clear about what the definition is, particularly in light of the announcements by the previous minister. I could not answer that.

**Senator MOORE**—What about your members? Is that a question they ask?

**Mr Nightingale**—In light of what the federal government is saying that it would like to reissue the cards, they do ask, ‘If I had a pub room brawl 20 years ago, is that going to count against me? It was dealt with at the time, and I had no conviction.’ We are not clear, so we cannot answer that, and we would like to get some further information.

**Senator MOORE**—So, what do you tell them when they ask you?

**Mr Nightingale**—Well where it is unclear, we need to be briefed, and we have asked for some details on that, but we have not received any.

**Mr Nyols**—It has been raised as a concern of our members, just in terms of the uncertainty.

**Senator MOORE**—Do you refer them to the department, to the organisation?

**Mr Nyols**—No, we have been pursuing that information.

**Senator MOORE**—To the best of your knowledge, how many of your members have not been able to get a new ASIC?

**Mr Nightingale**—There have been a handful over the past couple of years.

**Senator MOORE**—Were they your members?

**Mr Nightingale**—I believe some of those were our members.

**Senator MOORE**—Were they clear about their appeal rights?

**Mr Nightingale**—I do not think we were 100 per cent clear on the appeal rights for them, no.

**Senator MOORE**—Do union officials have to have ASICs to get on and off the airport?

**Mr Nightingale**—I personally have an ASIC.

**Senator MOORE**—Who issued yours?

**Mr Nightingale**—Through the appropriate channels.

**Senator MOORE**—Was that from the Sydney Airport Corporation? Do you have one of their issued ASICs? You got one of theirs?

**Mr Nightingale**—Yes, and I sat for the exam and went through all the background checks. I have been ASIO checked many times, and I think I am still getting ASIO checked as I walk around the airport.

**Senator MOORE**—That is an industry hazard!

**Mr Nightingale**—My phone is tapped, I think.

**Senator MOORE**—Union officials can apply?

**Mr Nightingale**—Yes.

**Senator MOORE**—With the support of the commission can get their ASIC clearance?

**Mr Nightingale**—Yes.

**Senator MOORE**—Do you have an all Australia one or just for the Sydney airport?

**Mr Nightingale**—Just Sydney.

**Senator MOORE**—Same as you?

**Mr Nyols**—No, I do not have one.

**Ms GRIERSON**—What would be the breakdown of your members in terms of being permanent, casual or part-time employees?

**Mr Nightingale**—We would have to get that company by company. Off the top of my head, I would say 70 per cent full time, 30 per cent part-time, as a mix.

**Mr Nyols**—Or just under; you are already at 100!

**Ms GRIERSON**—He is being generous, is he?

**Mr Nightingale**—And they are topped up by a small percentage of labour hire from time to time.

**Mr Nyols**—The casual workers, particularly in a company like Aero-Care that have a very high turnover rate, if they come in, they are out really quickly, so they are a very small percentage of our membership.

**Mr Nightingale**—We could have 30 members at Aero-Care this week and zero next week because of the turnover.

**Ms GRIERSON**—Would you have any idea of the range of pay rates for your members?

**Mr Nightingale**—There is a fair industry standard, and the majority of the players have through union agreements, which is comforting. The Aero-Care pay is certainly below; they have a non-union agreement, but we are a party to that agreement. Their pay rates are substantially lower than the industry standards through the majors like Menzies, Australia air Express, which are all basically fairly similar and under the award provisions. A lot of the shift workers at Aero-Care are not paid shift work penalties on weekends and night work.

**Ms GRIERSON**—Having worked in the past in work places with people at lower pay rates such as cleaners, et cetera, can I ask you if it would be fair to say that many of your workers would rather report incidents to you than to their employer?

**Mr Nightingale**—A number of people would prefer to raise them through the Transport Workers Union, knowing that we have been running with security issues for four years and beyond. But some of the lower paid and the non-union sites would raise it with the union in preference to the company. That would amount to quite a number.

**Ms GRIERSON**—Do you think the employees and your members would have any reservations about that? Is mandatory reporting and bringing things to people's attention, easy to do for employees? Is it a nuisance for their employer, or is there a security culture that really encourages them to bring forward incidents or notify them?

**Mr Nightingale**—We have a security awareness training that was initiated through the union, called the HOT principle, which is in our submission. That is about reporting, awareness of evacuation procedures, and the majors do have reporting mechanisms, and our members will report incidents. That is the majority of our workers, but in the non-union sector, we have no handle on it as they do not report to us. To make it clear.

**Ms GRIERSON**—With people coming in and out of the industry all the time, how do you keep up with training and keeping that awareness happening?

**Mr Nightingale**—That is a difficulty. I know that basic security training is included in the aviation security regulations, and we are quite happy about that. Unless there is a structured organised worksite, most of our trainers are union members and they train the people in the appropriate way. The small companies, such as Aero-Care and the like, do not provide this training and they are not aware of the security awareness training and the procedures and the mechanisms to report. So they are in the dark, whereas our majors, such as Qantas—

**Ms GRIERSON**—So how can that be?

**Mr Nyols**—Well, it is just not provided. Even basic level training—

**Ms GRIERSON**—They are basically a labour hire firm that just provides people for short-term positions or long-term positions?

**Mr Nyols**—Short term.

**Mr Nightingale**—Can I give you an example to try to answer that? Over the last few years in meetings with SACL, we asked for the companies to be audited, and Ron Elliott was quite happy to do that. I am not bagging SACL here. They had a problem of actually auditing people and companies. There are hundreds of companies working in and around the airport. They were being provided with information that their workers were appropriately trained, so it was a paper trail. There were two incidents last year at Virgin; one was a white powder incident, where hazmat responded in their chemical suits. They went up the stairs and the ground staff and the refuellers were all standing there watching these people. They were asking, 'Is anyone going to die?' and told, 'Not us; we are in our hazmat suits!' They were not evacuated and they were not

appropriately trained. They should not have been within the area. Then there was a second incident the following week about a cracker, as they call it, it was a bungler episode, and they tried to shift the blame onto the worker. This actual homemade bungler was a little bit like a stick of gelignite, and it was out of a child's bag or an adolescent's bag. Now, WorkCover and the union raised this when we approached the company. We asked who had been trained in evacuation procedures. The answer was 'Nobody.' Who had been trained in the procedures to handle these serious incidents such as the white powder and the cracker? 'Nobody.' They were given seven days or fear of prosecution to have these people trained. They delivered that at Virgin.

But Sydney Airport Corporation were told by Virgin's management—and it is no fault of Sydney Airport Corporation—that all their 240 workers were appropriately trained in all the security measures outlined as part of the responsibility of SACL as part of the controller of the airport. That is an example of not blaming SACL, but they were told they were trained until such time as they were exposed. So, all our Virgin workers are trained to handle these incidents, which is comforting, the same as Qantas workers.

**Ms GRIERSON**—If your members report an incident, do they get any feedback on that?

**Mr Nightingale**—In relation to the recent incident with Wally Said, the gentleman last Thursday night with the black outfit who penetrated the fence, he has not received any debriefing from either Qantas management, the Federal Police who took a statement from him, or Sydney Airport Corporation, and he was rather distressed about that.

**Ms GRIERSON**—Given the security incidents of the last couple of weeks with backpacks, et cetera, you would imagine—

**Mr Nightingale**—In the dark with a very weird looking character running around under a plane.

**Ms GRIERSON**—When we saw perimeter patrols yesterday, we were told that usually about 20 minutes would be the maximum time span between any patrol being in one place at any time. Can you validate that? Is that something that you think is adhered to?

**Mr Nightingale**—No, I cannot.

**Ms GRIERSON**—You do not know?

**Mr Nightingale**—No.

**Ms GRIERSON**—The person who saw this, what was that person doing at the time?

**Mr Nightingale**—He was just about to operate machinery to load an international flight, a 767, and had observed this gentleman a number of minutes earlier and kept an eye on him until he started to approach. He sensed there was something wrong. His concern also is that there is security, static and mobile security, and there is Federal Police, and he was able to get 300 to 400 metres, and it was a bit concerning.

**Ms GRIERSON**—Part of any critical incident training and management would be debriefing, and would be control of information. Do you think that is evident?

**Mr Nyols**—Generally speaking, it is evident but it does not occur. It is one of the areas that we have raised that needs addressing.

**Ms GRIERSON**—Like the public, we only learn of incidents through the media, generally. Do you think the media's reporting of incidents is a reflection of 100 per cent of the incidents, or do you think that there are many more that we do not see reported? Say this is Sydney airport, because there have been quite a few.

**Mr Nyols**—I am not aware of any cases where they have reported something that has not happened, so you would have to think that incidents have occurred where nothing has been reported.

**Ms GRIERSON**—What about the camel suit; were your members involved in the camel suit?

**Mr Nightingale**—Yes, they were.

**Ms GRIERSON**—How did you deal with that, and what was your interaction with the members involved?

**Mr Nightingale**—That was at the Sydney domestic, for people that might not have heard about the camel suit. I do not think there are too many who have not.

**CHAIR**—I think there are many people who have not heard about the camel suit.

**Ms GRIERSON**—It got good coverage.

**Mr Nightingale**—Again with Qantas, as the major, it was dealt with at my level as the senior airline official. There was an investigation. I was privy to some of that investigation, and I was privy to some footage of the CCTV camera. That clearly showed that this particular gentleman, who was terminated, had breached and gone through this duffle bag and put the camel head onto his head and it became a game. That has been dealt with appropriately and the union is more than happy that it has been dealt with, and the man has been terminated. Our members fully support that action.

**Mr Nyols**—Whilst everyone can have a bit of a giggle about it, because it was a camel suit, in terms of how seriously we take any of this kind of activity, we will not represent people involved in any degree of criminal activity.

**Ms GRIERSON**—I have to say that that is advisable and it is what most unions do practice for that type of behaviour. It puts every other member at risk and is usually not supported in any way.

**Mr Nightingale**—I was very disappointed in our members about that incident.



**Ms GRIERSON**—Yes, well obviously you understand that the travelling public felt great disquiet about that, that it could have been their luggage. I suppose it must have damaged the morale of all your members at the time.

**Mr Nightingale**—It certainly did damage, and there are a number of other things that I suppose damage morale at the airport.

**Ms GRIERSON**—You said that you have no representation on the aviation security committees, or even a way to feed in and out of those?

**Mr Nightingale**—Only on an ad hoc basis, if we instigate communication, be it through DOTARS or the minister's office, but there is nothing formally structured.

**Ms GRIERSON**—You really do feel that there is a need for a formal way of interchanging. Even if it is not on the main aviation security committee that had DOTARS and Customs and Immigration, and may have more sensitive dealings, you would like to see some formal way of feeding in and out?

**Mr Nightingale**—Absolutely.

**Ms GRIERSON**—Does SACL give a monthly report to anybody, to members, on incidents? Does it give debriefs on them or say what can be learnt from them? Does it provide new guidelines or instructions?

**Mr Nightingale**—I am unaware of any recent newsletters.

**Ms GRIERSON**—Do you think members would be interested in anything like that? Are they aware of the security needs? Is there a heightened awareness among them of the need to be informed and to know, or do they feel at times that they are at the front line of risk?

**Mr Nightingale**—I think that is a very good suggestion and certainly a way to go forward to brief people and keep them up to speed, to be involved in the security matters at the airport.

**Ms GRIERSON**—Yes. The whole aim of our committee is to review, assess and recommend a security culture to be in place, and that is something you cannot just do from the top; it has to be right through all the organisations and people involved. Okay, thank you.

**CHAIR**—I would like to turn to a couple of measures now in relation to CCTV cameras. I understand that when Sydney Airport Corporation wanted to install full coverage of all the tunnels with closed circuit TV cameras, it was actually opposed by the union movement; is that correct?

**Mr Nightingale**—That was a media response to that. We had made statements that we and our members welcome any new and additional security measures. These security CCTV cameras have been in for a number of years and it was nothing new. We actually welcomed it publicly through the media. I believe that was a statement in one of the papers.

**CHAIR**—This is not recent moves to roll them out to a full 100 per cent coverage; this is quite some period of time ago, during the initial roll-out phases of CCTVs.

**Mr Nightingale**—You may be talking about a number of years ago with in-hold cameras in aircraft. I believe the number—

**CHAIR**—I do not have any details where they were.

**Mr Nightingale**—A number of years ago. My understanding is that in the Ansett days there was a move to put the cameras in-hold, and that did happen, and I believe that a number of people may have been acting inappropriately, and it was dealt with that way. That is the only history that I have on that.

**Mr Nyols**—That kind of stuff would be going back to the 1980s, and there is no opposition from us about that at all.

**CHAIR**—Being mindful of sub judice and the recent events surrounding the drug bust, was that in relation to your members giving up people who were doing the wrong thing?

**Mr Nyols**—Sorry, what was that last—

**CHAIR**—The drug bust that occurred at the airport, I think it was cocaine or some substantial drug. Were your members involved in bringing that to the front of the Customs and the AFP?

**Mr Nightingale**—What, the—

**CHAIR**—The recent one, yes.

**Mr Nyols**—Sorry, Mr Chairman, is the question identifying that there was something happening?

**CHAIR**—Yes, identifying that there was something happening. Given that in your submission that you provided to the committee today, you refer to where you stepped in at various times when you became aware of things and have taken first level security responses. I am just asking whether your members, when they became aware—or if they became aware, I am not saying they did—of the drug smuggling and clearing whether they gave up the people that were doing it and aided in the bust?

**Mr Nyols**—The first that organisationally we knew about it, and we have not heard anything from any of our members, was when it was in the media. Our understanding is that that had been identified and tracked by the Federal Police.

**CHAIR**—Which brings me to the matter of black spots—I think that is the correct term—in the tunnel. We have had no briefing; all we have seen is what we have read in the media in relation to all this sort of thing. When I try to make some sense out of the Corby case where there is the allegation that stuff had been planted on her, whether it has or has not, the issue I am concerned about is this black spots or blind spots issue in relation to closed circuit television cameras. How many of those are there in and around the airport?

**Mr Nightingale**—Domestically I do not believe there are a great deal of black spots, but there is a black spot in the area—and it may have been rectified since. My understanding is that applies to the security guards that actually control the belt system in the domestic. There is a black spot where a contracting company deals with bags that are not identified, which is quite common, or which break open. There is a black spot there, and I believe that a number of months ago one of the contract workers was put off because of some illegal activities there. That is domestically. Internationally, there would be a number of black spots, but you would have to ask Sydney Airport Corporation that question.

**CHAIR**—It is a rabbit warren underneath that international—

**Mr Nightingale**—It certainly is. There are quite a number of cameras within that area, but whether they are operative or effective, Sydney Airport Corporation would be able to answer that more appropriately.

**Senator MOORE**—As a trade union have you been advised of the process of the cameras, where they are, and what they are intended to do, so that you know the working conditions of your members?

**Mr Nightingale**—No, we have not, but we know they exist. They are quite obvious in most of the areas.

**Senator MOORE**—But you have never been formally advised?

**Mr Nightingale**—No.

**Ms GRIERSON**—In June it was reported that Qantas sacked two baggage handlers over links to criminal activity, criminals allegedly involved in smuggling cocaine through Sydney airport, relating to October last year. Were you aware of that incident, and were you aware whether they were your members?

**Mr Nyols**—Going back to October last year, with respect to a couple of the raids or busts or whatever that had been conducted by policing authorities, two people have been sacked. They were initially stood down while the internal investigations were being carried out. They were then terminated. My understanding today is that those people have not been charged with anything yet.

**Ms GRIERSON**—So, no-one has actually been charged for the onsite—

**Mr Nightingale**—No baggage handler has been charged for involvement.

**Ms GRIERSON**—That classified Customs report that was prepared at one stage on Sydney airport, leaked by the media, contended that baggage handlers with high-level security clearances had been involved in drug smuggling and stealing from passengers; 39 security screeners out of 500 at the airport have a serious criminal conviction, a further 39 have minor convictions and 14 have questionable immigration status. If there was systemic abuse and drug smuggling through Sydney airport, would you be aware of it? Or are you aware of it?

**Mr Nyols**—No, we are not aware of it. Our position would be that we raised the same concerns about acts of terrorism, and that is just an extension of acts of criminality. Our position would be the same as any part of society: criminal activity should be identified, rooted out and dealt with by the appropriate bodies.

**Ms GRIERSON**—Do you think that, over time—and you have been involved over time—that there is more awareness of that link in everyone’s perception that if criminal activity can occur then the system is more vulnerable to terrorism?

**Mr Nyols**—Yes, I believe that.

**Ms GRIERSON**—Do you think your members feel, because they work in a place that has so many people and is certainly high profile, that they do face risks?

**Mr Nyols**—Absolutely.

**Mr TICEHURST**—Just in the last paragraph of your submission, you state:

In the light of terrorist attacks that have occurred over the last four years in USA, Indonesia, Spain and now most recently London, Australia continues to find itself in an entirely inadequate situation.

What has led to that conclusion?

**Mr Nyols**—I take on board what you said earlier about the patterns of 9-11 have not been repeated by aeroplane but, to our way of thinking, that is no reason to be ruling it out to say that it could not occur. There have been continued terrorist activities against western countries. We are concerned with the same issues we have been raising for the last four years, that there are flaws in the way that we are currently operating our security system, just in aviation. I would hate to see something fatal occur because it was going to cost too much money or it was just too complicated and too difficult to do.

**Mr TICEHURST**—But do you think ‘entirely inadequate’ is really relevant?

**Mr Nyols**—It is pretty inadequate if someone can go and cut a hole in the perimeter fence and walk 300 metres with a backpack and whatever this person was carrying. We find that incredibly inadequate.

**Mr TICEHURST**—How would you stop it?

**Mr Nightingale**—Another example is where the vagrant walked through the international airport in July last year, went through the screening, went past the security guards, went through Customs, went through Immigration, and got on to the aerobridge of a flight to Los Angeles until, again, a worker, a flight attendant, said: ‘Where are you going? Come out of there. Where is your ticket?’ He was intoxicated, never had a ticket, never had a passport. Now, how did he get through? John Anderson said there would be an inquiry, and we are still waiting for an outcome of that inquiry from July last year. So, that is what is inadequate.

**CHAIR**—We will make a note of that and ask questions of the relevant people as we come across them. Thank you very much, gentlemen, for appearing today.

Resolved (on motion by **Senator Hogg**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

**Committee adjourned at 3.51 pm**