



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

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

WEDNESDAY, 8 MARCH 2006

DERBY

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## JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

Wednesday, 8 March 2006

**Members:** Mr Tony Smith (*Chair*), Ms Grierson (*Deputy Chair*), Senators Hogg, Humphries, Moore, Murray, Nash and Watson and Mrs Bronwyn Bishop, Mr Broadbent, Dr Emerson, Ms Jackie Kelly, Ms King, Mr Laming, Mr Tanner and Mr Ticehurst

**Senators and members in attendance:** Senator Murray and Ms Grierson, Mr Tony Smith and Mr Ticehurst

### **Terms of reference for the inquiry:**

To inquire into and report on:

- (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.

**WITNESSES**

**ARCHER, Mrs Elsia, President, Shire of Derby/West Kimberley ..... 1**

**KEEN, Mr Colin, Executive Manager, Technical Services and Airport Manager, Shire of Halls  
Creek ..... 16**

**McCONNELL, Mr Peter, Chief Executive Officer, Shire of Halls Creek ..... 16**

**PEARSON, Mr John, Chief Executive Officer, Shire of Derby/West Kimberley ..... 1**

**PETTINGILL, Mr Kevin, Executive Manager, Technical and Development Services, Shire of  
Derby/West Kimberley ..... 1**



**Committee met at 3.10 pm****ARCHER, Mrs Elsia, President, Shire of Derby/West Kimberley****PEARSON, Mr John, Chief Executive Officer, Shire of Derby/West Kimberley****PETTINGILL, Mr Kevin, Executive Manager, Technical and Development Services, Shire of Derby/West Kimberley**

**CHAIR**—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 ongoing inquiry into aviation security in Australia. I welcome everyone here to today's public hearing for the committee's review of developments in aviation security since the tabling of its Report 400: *Review of aviation security in Australia*. Today we will hear from representatives of the operators of airports at Derby, Fitzroy Crossing and Halls Creek.

I advise witnesses that the hearings today are legal proceedings of the parliament and warrant the same respect as proceedings in the House or the Senate. 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 and be published as part of the parliamentary record.

Without further ado, I welcome you all here. Do you have any additional comments about the capacity in which you are appearing?

**Mr Pettingill**—I am also Airport Manager for Derby and Fitzroy Crossing.

**CHAIR**—Thank you. Normally in our proceedings, we invite you to make an opening statement summarising some of your views before we move to questions and discussion. Would you like to commence, Kevin?

**Mr Pettingill**—For the *Hansard* record, I have presented the four committee members with a hard copy document outlining what I will talk about today.

**CHAIR**—Thank you.

**Mr Pettingill**—The hard copy contains a preamble, a bit of history on Derby and the security systems that we work under and also the response by the Shire of Derby/West Kimberley to the terms of reference.

Some of you may not be aware that the Shire of Derby/West Kimberley covers approximately 102,000 square kilometres in this region and we operate two security controlled airports. They are Fitzroy Crossing Airport, which is approximately 250 kilometres east-south-east of Derby, and Derby Airport, which is seven kilometres south-east of this town site. Both shire airports, Fitzroy and Derby, have regular passenger transport operation. Fitzroy Crossing has a twin-propeller nine-seater RPT service originating in Broome and servicing the towns of Fitzroy Crossing and Halls Creek in the Kimberley, which operates six days a week; and Derby has a twin-propeller seven-seater RPT service originating in Broome and servicing the town of Derby.

In 2004, when the Aviation Transport Security Act was foreshadowed, the Shire of Derby/West Kimberley undertook a transport security program for both airports, which complies with part II, division 4 of the Aviation Transport Security Act and all requirements therein. The general objective of our transport security plans, after undertaking risk assessments, was to safeguard against the unlawful interference in aviation and the unlawful access to airside zones, to increase public awareness of public security arrangements and to increase public confidence in aviation security arrangements. Previously in 2004, both of the Shire of Derby/West Kimberley airports received RPT services, but they were unsecured with regard to access to airside aprons and taxiways and had limited apron lighting and limited parking and general public area lighting and no mechanism at all for general surveillance.

The risk assessment and basic security measures that came forward—after undertaking the transport security plan through the Australian standards of operating a risk assessment—for Derby consisted of a 953 metre 1.8-metre-high chain mesh security fence; the installation of additional street lighting in the general vehicle parking and access road areas; the installation of secure padlock systems with the installation of a keypad locking system; installation of a surveillance system, being a SentryScope CCTV camera; and the installation of additional signage. The total sum for those measures was \$159,580.

The basic security measures for Fitzroy Crossing were 2,600 metres of 1.8-metre-high chain mesh fencing. The additional amount there is due to the proximity of the Fitzroy Crossing Airport to the Fitzroy Crossing town site and local Indigenous communities, which are side by side. People crossing the airport for social activities was fairly predominant before this was undertaken; now it is okay and those activities do not interfere at all. There was also the installation of additional street lighting, the installation of a secure padlock system, the installation of a surveillance system and the installation of additional signage. Total funds allocated for Fitzroy Crossing were \$315,000.

The first of your terms of reference is ‘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’, and I will deal with the second part first. The shire is not in a position to offer any response to what the department’s response has been to aviation incidents. We are probably too far removed from any that have occurred on the eastern seaboard and it is only through hearsay that we hear of them, so we will not comment on that.

With regard to regulation of aviation security at our airports, DOTARS, whom we dealt with a fair bit during 2004 and up until the shire transport security plans were approved, provided the Shire of Derby/West Kimberley with timely and up-to-date advice on all issues relating to new entrants and the production of TSP. You probably would be aware from other evidence that, as new entrants, we had a very minimal idea of what was required. DOTARS was excellent in helping to us with that aspect. The payment systems through the Australian Airports Association has worked well for us. With few hold-ups or problems encountered, the system applied to all new entrants has been exhaustive and fair across the board, as far as we can assess.

Regarding compliance with Commonwealth security requirements by airport operators at major and regional airports, the shire is mindful of these requirements and the responsibilities entrusted to this shire in the prescribed legislation. As a new entrant, all current requirements pertaining to aviation transport security programs and the shire’s TSP have been adhered to.



Council officers of Derby and Fitzroy Crossing airports have undergone the prescribed hand wand training, as required. The supply of ASICs and wearing of such is still proving to be a problem for this remote shire. Advice received by council last week, at the end of February 2006, indicates that 14 of the required 20 ASICs will be forwarded to council shortly after having been cleared, as required, by the Australian Federal Police. They have been in that process now for approximately six months, I think.

Regarding compliance with Commonwealth security requirements by airlines, the smaller operators, as you have seen in Derby and Fitzroy Crossing, have embraced those requirements enthusiastically and with professionalism. Large organisations, such as the Royal Flying Doctor Service, major air charter operators and major fuel distributors, have a full understanding of the requirements. We deal directly with the Royal Flying Doctor Service from Jandakot Airport in Perth, which is their major Western Australian base. As for major fuel distributors, we deal with the Perth based distributor who then liaises through an agent in Derby. We go through the major chain.

Security screening, baggage checks et cetera currently are not applicable at our airport, because we do not have jet services. Regarding the impact of overseas security requirements on Australian aviation security, the shire has no comment. No international airport operations are undertaken.

Regarding cost imposts of security upgrades, particularly for regional airports, the cost of basic security upgrades required at the shire's airports total approximately \$474,763. Without the funding assistance that is provided by DOTARS, the Shire of Derby/West Kimberley currently is not in, or ever likely to be in, a position to fund these requirements exclusively from council's expenditure. The cost of the required security upgrading represents approximately 17 per cent of council's rateable yearly income. Our rateable yearly income is \$2.8 million. When you spend \$474,000, it is impossible to justify.

While council currently has an RPT service that consists of small twin-engine propeller planes, the endeavours of the shire to obtain a direct jet air service between Perth and Derby are currently being fulfilled, with council last week authorising the calling of tenders for the issuance of an aircraft licence by the relevant state minister for the Perth-Derby route. This service will be utilised by the mining industry for fly-in fly-out personnel, for government transport and for general passenger transport. Derby Airport, having complied with airside security requirements, has allowed this endeavour to proceed, with resultant economic benefits to the immediate region of Derby.

Privacy implications for greater security measures have not arisen at either of the shire airports. No screening of persons or baggage currently is undertaken, so the invasion of privacy or such like has not been encountered.

As for opportunities to enhance security measures presented by current and emerging technologies, being a remote shire and, therefore, having remote airports, the use of advanced or emerging technologies is a requirement that needs to be embraced and implemented by airports similar to those in our shire. As for advantages that may be gained by airport operators from all aspects of upgraded airport security, utilising upgraded or enhanced technologies is practically a

necessity. Procedures for, and security of, baggage handling currently are not applicable to this shire, as we do not have jet aircraft.

I will make some closing comments. Following on from the introduction of the Aviation Transport Security Act 2004, the Shire of Derby/West Kimberley advises the following: officers of the Department of Transport and Regional Services have provided full help to this shire in undertaking the compilation of our transport security plans. The methodology and the application for funding assistance for new entrants to secure airports proved not to be cumbersome or time consuming. The funding body, Australian Airports Association, has acted in a professional manner with all requirements and has been prompt in finalising payments. These basic airport security upgrades could not have been afforded by the council without the assistance of the Australian government. The required basic upgrade security measures, although minimal, have seen the ability of the shire to engage in dialogue to ensure that the possibility of enhanced air services to the state's capital is fulfilled. I have detailed photos to give the committee.

**CHAIR**—Thank you very much. I would just say at the outset, as chair—and I am sure that I speak for all senators and members on the committee—that we thank you for your submission and obviously the amount of work you have put into it. I think I can say, without any hesitation, that it is clearly the most comprehensive and professional submission we have seen. That is not taking away from the others, but you have obviously gone the extra mile as the shire president, and that is most appreciated. It is good to get concise and thought through evidence. You have obviously spent a bit of time on it and we very much appreciate it. I think I speak for all members in that vein. Just to make sure that it is included in our record, we need to authorise your written words as a submission. Is it the wish of the committee that the submission of the Shire of Derby/West Kimberley dated 9 March 2006 be accepted as evidence to the committee inquiring into aviation security in Australia and authorised for publication?

**Ms GRIERSON**—Yes.

**Mr TICEHURST**—I second the motion.

**CHAIR**—It is so resolved. Is it also the wish of the committee that the exhibit, being a photograph of works completed, presented by the Shire of Derby/West Kimberley as an attachment to its submission of 9 March 2006, also be accepted as evidence? There being no objection, it is so resolved. Thank you very much. There is a lot there to get through.

**Ms GRIERSON**—You have said that there have not been incidents at your airports. Do you know all the aircraft that come in and out, or is that impossible?

**Mr Pettingill**—It is probably impossible, because we have station aircraft coming in—

**Ms GRIERSON**—They are very individual aircraft.

**Mr Pettingill**—Yes, they are very individual. With the CCTV camera, that is checked.

**Ms GRIERSON**—There is a record.

**Mr Pettingill**—Yes, there is a record. We have a program so that it is able to pick up movement only, so you do not have to go through 24 hours of camera. First thing in the morning, the reporting officers would go in there and check for movement and it just automatically flicks on to the movement that has occurred in the last 24 hours. So you can pick up what planes have come in or gone out. If there is any plane that we do not recognise the call sign for and where it is not a charter from this area, we will check out who it is. That is done through the officers.

**Ms GRIERSON**—Do you talk to all the other airports generally about movements?

**Mr Pettingill**—Our shire and I are members of the Australian Airports Association. I talk a fair bit with Broome and Kununurra.

**Ms GRIERSON**—Do you charge landing fees?

**Mr Pettingill**—Yes, we do.

**Ms GRIERSON**—Do you use an honour system, such as leaving money in a box or just contacting a neighbour?

**Mr Pettingill**—No. When people come in, a voice recording is made automatically.

**Ms GRIERSON**—So they can enter their visa card number or something like that?

**Mr Pettingill**—No. They get an invoice sent out to them.

**Ms GRIERSON**—Has anyone ever evaded it?

**Mr Pearson**—Many have.

**CHAIR**—What sort of percentage would you think have evaded it? Would it be 10 or 15 per cent?

**Mr Pearson**—Yes, at a guess. It is not just the fact that they are bad debts; some people sometimes give the wrong call sign—

**CHAIR**—They deliberately give the wrong call sign?

**Mr Pearson**—Or they do not give a call sign at all and just land.

**Senator MURRAY**—But presumably your movement check would pick that up?

**Mr Pettingill**—Yes, we can pick that up now.

**CHAIR**—So that has been a good enhancement for you here; it is like Crime Stoppers.

**Mr Pettingill**—Now, when someone says that they did not land at our airport, we can go back to the camera and say, ‘You actually did and here is the proof.’

**Senator MURRAY**—What does 10 to 15 per cent mean in money terms?

**Mr Pearson**—For us in Derby, landing fees would be around \$35,000 to \$40,000 a year, so 10 percent would be maybe \$4,000 or \$5,000.

**Senator MURRAY**—So it is enough money to worry about.

**Mr Pearson**—In the big scheme of things it is a small amount of money; it is just an annoyance and there is the time factor that is involved in raising invoices for \$15 and \$20.

**CHAIR**—If you have a situation where someone lands and they have evaded, do you have a system whereby you can fine them?

**Mrs Archer**—No.

**Mr Pearson**—My understanding is that we cannot restrict people from landing at the airport.

**CHAIR**—You could not charge them more?

**Ms GRIERSON**—The fees are very small though, aren't they?

**Mr Pettingill**—Yes. It is only \$16.60 a tonne for maximum take-off.

**Mr Pearson**—You have to ask whether is worth chasing \$20.

**CHAIR**—But you may get increased compliance now as a consequence of the cameras.

**Mr Pearson**—Yes, because people will know that they are there and can be checked.

**Ms GRIERSON**—You have said that ASICs will be a problem.

**Mr Pettingill**—They have been a problem.

**Ms GRIERSON**—Have they been issued yet?

**Mr Pettingill**—No.

**Ms GRIERSON**—How long have you been waiting for them?

**Mr Pettingill**—It is now about six months.

**Ms GRIERSON**—That is longer than we found at any of the other airports. They were saying that it was two to three months. Six months is a fairly long period.

**Mr Pettingill**—It now would be 2½ months that the final documentation has been with the company. I think it was in November that we filled out the final forms.

**Mrs Archer**—Yes, it would have been in November.

**Mr Pettingill**—That is four months.

**Ms GRIERSON**—Who is the issuing company?

**Mr Pettingill**—The company out at the Merimbula Airport in New South Wales. We have to go to where someone can issue them. If you go to the Perth Airport, they will say, ‘No, we are snowed under; we will not even look at them.’ The Adelaide Airport was one of my next options.

**Ms GRIERSON**—So you shopped around?

**Mr Pettingill**—We shopped around and found a company.

**Ms GRIERSON**—You found a bit of a dud.

**Mr Pettingill**—No. The company is going well. It is the time that is required to get the information back from the Federal Police. I do not know whether it has been brought up before, but the information that we originally supplied to the Federal Police had to be changed. That slowed down the process.

**Ms GRIERSON**—Why was that?

**Mr Pettingill**—There are two clearances that the Federal Police do. A lot of people in Western Australia supplied what everyone thought the Federal Police wanted and the Federal Police came back and said they wanted the other more enhanced forms.

**CHAIR**—Further details.

**Mr Pettingill**—Yes.

**Ms GRIERSON**—You said that you are applying to recommence jet services here?

**Mr Pettingill**—Yes.

**Ms GRIERSON**—So you are putting it out to tender. Do you think someone will take it up?

**Mr Pettingill**—Yes. We have been in discussions with mining companies’ air service providers and also the state government. We now have the numbers within the mining companies that produce an economic service. Currently those fly-in fly-out people are going through Broome, which incurs additional expense and time. The two iron ore mines that are operating off the coast here on islands are only a 30-minute flight from Derby but over a one-hour flight from Broome. So the times for moving fly-in fly-out passengers is an economic saving to them and a saving in the turnaround time for those passengers.

**Ms GRIERSON**—If you start that, because it is a jet service, will you have to do any further upgrades?

**Mr Pettingill**—Yes. We will have to upgrade and have a secure terminal. We have put funding applications in to the federal and state governments for that. The air service operator would provide the required security baggage-screening person who screens those types of things. That will be part of their role, as happens in Kununurra.

**Ms GRIERSON**—What size plane might come in?

**Mr Pettingill**—We are looking at the 100-seat F100 or the new Boeing 717—I think it is—QantasLink.

**Ms GRIERSON**—So you will need a sizeable terminal?

**Mr Pettingill**—Yes, we will need a terminal with capacity for about 103 people.

**Ms GRIERSON**—Do you have that capital put aside?

**Mr Pettingill**—I have funding applications into Regional Partnerships, to the Kimberley Development Authority and to Lotteries West and those types of things.

**Ms GRIERSON**—Are you hopeful? Can you put some matching funding in?

**Mr Pettingill**—Matching funding we are doing in the terms of a PACI landing system. As you are probably aware, when you get jets landing, you have to have the precision aircraft landing system to bring them in. That costs \$116,000.

**CHAIR**—Do you have an estimation of the cost of your terminal?

**Mr Pettingill**—It is a minimum of \$245,000.

**CHAIR**—For a new terminal?

**Mr Pettingill**—Transportable.

**Ms GRIERSON**—We saw one earlier in the day at Carnarvon and that was too small. That was over \$100,000 and they have had to rebuild it.

**Mr Pettingill**—It is \$245,000. I have had our building people work out the square metreage rate. It is transportable. You bring up nine transportable units and bolt them all together and it gets me the square metreage that is required under the building code.

**Ms GRIERSON**—Have you checked your plan with DOTARS, or are you just going ahead?

**Mr Pettingill**—No. I need the approval of DOTARS before I can actually—**CHAIR**—That is compelling evidence. We have heard other evidence that it would cost millions of dollars to build even a small terminal, but it sounds as though you have—

**Mr Pettingill**—Ours is transportable.

**Mr Pearson**—It will not be pretty.

**CHAIR**—No, but it will be effective.

**Mr Pearson**—It will be functional and will suit our needs in having what we need in order to get it working. If the service proves to be effective and efficient and the service provider decides to continue on with that service after a six-month period, council will have to look at resourcing it to provide a more permanent structure.

**Mr Pettingill**—There are just two things with the air services that we are proposing: the state government has agreed in principle and we are awaiting the end of this month, when they start their budgetary deliberations, to their providing half a million dollars over the first six months as an underwriting subsidy.

**Ms GRIERSON**—You must have good clout.

**Mr Pettingill**—We have a very strong president.

**CHAIR**—You get things done here; that is obvious.

**Mrs Archer**—It takes a lot of hard work, but we also have great staff.

**CHAIR**—You have a good optimistic attitude.

**Ms GRIERSON**—Is your airstrip fine?

**Mr Pettingill**—The airstrip, after upgrading four years ago, is fully compliant with an unrestricted 42-tonne jet landing.

**Ms GRIERSON**—Have you ever had any assistance from the mining companies or anyone else in terms of your services?

**Mr Pettingill**—No.

**Mr Pearson**—Do you mean in terms of funding?

**Ms GRIERSON**—Yes.

**Mr Pettingill**—There will be a charge for the system. There will be some waiving of fees for the first year with a sliding scale over five years for all passengers using the airport.

**Ms GRIERSON**—You will not be charging per head and so on for a while?

**Mr Pettingill**—Fifty per cent of the head tax will be waived and landing fees for the jet will be waived for the first year and then, on a sliding scale, reintroduced.

**Ms GRIERSON**—One airport said that they have a subsidy per head rate as well as a flat rate for aeroplanes. Because of the fluctuations, they sometimes come out worse off, so they can choose which one is better. You have been very praiseworthy of DOTARS advice to you. That is not consistent across the airports that we have seen.

**Mr Pettingill**—I am well aware of that. I have had additional dealings with DOTARS because we control the wharf as well.

**Ms GRIERSON**—So you have a good relationship with them?

**Mr Pettingill**—Yes. I have to say that the people in DOTARS worked on a Saturday and Sunday to get my TSP through. I have worked right through this process with DOTARS.

**Ms GRIERSON**—Is having them on the ground a bit of a help? Are they more locally based here?

**Mr Pettingill**—No. I have dealt completely remotely with them, in Perth.

**CHAIR**—Would you say that this requires some knowledge from DOTARS about your requirements but equally some knowledge from a shire or whoever it is about how government processes work? That seems to be something that at first blush you are very across here.

**Mr Pettingill**—Also the knowledge and understanding of Australian standards for doing risk assessment. Many people became hung up on how to do a risk assessment. I have done them before in other areas of my work.

**Ms GRIERSON**—I think risk assessment training should be compulsory for members of parliament.

**Mr Pettingill**—Once you understand that, you can put your risk assessment into your TSP and basically go from there.

**Ms GRIERSON**—Some airports said that they did their self-assessment, designed things, put forward their plans, got approval and then went ahead, at which point DOTARS said, ‘No, that does not conform and you should have done it this way.’ That is quite different.

**Mr Pettingill**—I probably did three runs, to which DOTARS and I both said, ‘No, this does not work.’ They came back and said, ‘We reckon you should do that,’ and I said, ‘No, that does not work up where we are; it has to be done this way.’

**CHAIR**—So they actually were proactive?

**Mr Pettingill**—Extremely.

**Mr Pearson**—It is collaborative. As a council, we very much take a collaborative approach to everything we do because we realise that, as an individual council, we do not have the resources to deliver on our own.



**Ms GRIERSON**—So you are in their ear all the time?

**Mr Pearson**—Yes.

**CHAIR**—But would you say that, if you had taken a different approach and charged ahead, it might have been possible to have done that and then hit a brick wall at the end?

**Mrs Archer**—That happens with many things though.

**Mr Pettingill**—I know through the Australian Airports Association that some airports did that. They charged ahead and did their TSPs without, I suppose, that progression of contacting DOTARS and saying, ‘Is this correct?’ They charged ahead and then suffered the consequences of the TSP being knocked back.

**CHAIR**—So you would not say that was all DOTARS fault?

**Mr Pettingill**—No.

**Ms GRIERSON**—Some of the shires have had very little experience with aviation, so they were struggling. Obviously you have a good track record.

**Mr Pearson**—I think the majority of shires have only been in it for 10 years.

**Ms GRIERSON**—That is right. That is what they are saying. There has been a lot of changeover of personnel too.

**Mr Pettingill**—Also, I suppose, this shire is fairly proactive in the Australian Airports Association. We attend all their meetings and are involved.

**Ms GRIERSON**—That is good. I do not think that was the case everywhere else. You have had to train quite a few of your personnel. Has that been a problem out here? How did you do that?

**Mr Pettingill**—No. We had the hand-wanding detecting training that is paid for by the Australian government.

**Ms GRIERSON**—Did it happen here?

**Mr Pettingill**—It came to Derby.

**CHAIR**—Could you tell us a bit about that? We have only heard parts of that. That is a good question. Tell us what the process was.

**Mr Pettingill**—It was probably very similar to the funding that was made available for basic security measures. Funding was made available for hand-wanding training and also for the supply of the equipment for hand-wanding training. You had to apply for that. I think we were entitled to what worked out to be about \$2,000 per person for training, with a maximum of four

per airport. Then there was a standard set of equipment that they supplied for each airport. Because I had Fitzroy Crossing and Derby, four people here and three at Fitzroy Crossing, it was more economical for them to come to us rather than for me to send everyone down to Perth for the training. It was done here over a period of four or five working days.

**CHAIR**—In what circumstances would that equipment be used?

**Mr Pettingill**—Now we can use it with jet services. We can provide to the airline company the hand-wanding inspections, if required. It can be used also if maybe the general aviation charter out here has a problem with someone or something. If there is someone taking something on board, we can do it. We have one female, Dimity, whom you saw out at the airport. She is an environmental health officer and she is trained, so we can cover the female aspect.

**Ms GRIERSON**—There is a lot of multiskilling up here, isn't there?

**Mr Pettingill**—There has to be. At Fitzroy Crossing, our works supervisor or leading hand is the senior airport security officer and the reporting officer. They cover a broad spectrum of what has to be done.

**Ms GRIERSON**—It seems to me that having the two airports may have made a bit of a difference too, in that you have such a commitment and you have to get it right. We found that some were working in isolation and probably would have benefited if they had amalgamated with other airports in terms of planning and consultancy work or contract work.

**Senator MURRAY**—I want to cover two areas. The first area is safety and CASA. I have now heard safety consequences being raised twice on this brief three-day trip. Once was in Kalbarri, where the installation of a fence resulted in kangaroos no longer being on the airstrip. The second occasion has been here at Fitzroy, where you have remarked that people were doing crossings of the airstrip for social reasons. That must be a danger, particularly if you have unannounced and untracked aircraft coming in at random as they see fit. What I wonder is why CASA was never alert to that sort of safety side of things and have never said to you, as the managers of airports, 'Look, there is a safety problem at Fitzroy and it needs to be fenced to stop people from wandering on to the airfield.'

**Mr Pettingill**—I will answer that in two parts. With regard to kangaroos, we have a roo problem here in Derby. We must do inspections at night-time before planes land. When the flying doctor comes in, we can do up to three to four night-time inspections to ensure that there are no kangaroos on that runway strip.

**Senator MURRAY**—Has the new fencing stopped that being a requirement?

**Mr Pettingill**—The new fencing is only pedestrian around the airside terminal area. It does not go the full 7.8-kilometre boundary of the airport. It does not cover the back area of the airport at all.

**CHAIR**—Which is pretty inaccessible anyway, isn't it?

**Mr Pettingill**—Yes.

**Senator MURRAY**—Except for kangaroos.

**Mr Pettingill**—Except for kangaroos. My understanding of CASA is that it is up to the airport owner to provide a safe landing strip for planes to land on. If you have knowledge that you have a roo problem, if they are still getting through even though you have a fence, you have to deal with it. Our way of dealing with this currently, until we can afford a full roo-proof fence, is that we have inspectors—and I have four airport inspectors—that must be called out when planes come in to land.

**Senator MURRAY**—At Fitzroy Crossing, as well as people getting on to the airstrip, do you have a problem with—

**Mr Pettingill**—There is no roo problem at all at Fitzroy.

**Senator MURRAY**—What about domestic animals from the adjoining sites?

**Mr Pettingill**—There used to be a minimal dog problem.

**Senator MURRAY**—Has that stopped as well?

**Mr Pettingill**—Yes, that has stopped as well. Bear in mind that the town site or the communities of Fitzroy Crossing and the airport run parallel. So you have a two-kilometre length of airport and you have a two-kilometre length of Aboriginal communities where people can actually ingress into the airport.

**Senator MURRAY**—If this airfield at Derby were completely fenced, would that save you much money in that you would not have to do your nightly checks, or is that minimal?

**Mr Pettingill**—How much would the call-outs cost us per year?

**Mr Pearson**—It would cost us \$40,000, at a guess. If you have double-time for staff and those sorts of things and you have three or four call-outs a night, it would probably cost \$30,000 to \$40,000 a year for Derby.

**Mr Pettingill**—To fully fence that airport, taking into account the extra six kilometres, you would probably be looking at \$750,000.

**Senator MURRAY**—The second area I want to ask you about is the unintended economic benefits. What you have said in your submission again we have heard elsewhere. But the result of the upgrades has had the benefit that you can now lobby for this aircraft licence that you want for fly-in fly-out activities.

**Mr Pettingill**—Yes.

**Senator MURRAY**—You seem to indicate in your submission that that looks likely to be approved for Derby. What occurs to me is whether DOTARS was aware that there was a net benefit—apart from just complying with the new security law—or whether you were aware of that benefit when you spent that money.

**Mr Pettingill**—I was not aware of that benefit. They had not been raised with us at the time.

**CHAIR**—It is just a happy by-product.

**Mr Pettingill**—Once we had the fencing, the lighting and the camera in place, it then gave us the position where mining companies were coming to us saying, ‘Is there anything you can do? The turnaround of people is costing us money and there are industrial relations problems with people taking a day to get to Perth out of this region by plane with the additional time they have to wait in Broome.’ Having that there was a by-product, but it was not an intended by-product.

**Senator MURRAY**—Would that be a real benefit? All they would be doing is squatting at the airport. What is the benefit to you? Is it just in terms of landing charges and so on?

**Mr Pearson**—I think probably it is more the social benefit. Economically, okay, there is a spin-off for the council potentially in landing fees in the long run. But the reality is that, from the statistics that come out regarding air services into regional towns, there is a significant spin-off effect with the social growth and economic growth of the region because of those services. The fact remains that, for us to go outside of Derby to get down to Perth, it is a full day trip; whereas, if you can jump on a plane that is seven kilometres down the road, you are there in 2½ hours.

**Senator MURRAY**—It strikes me that the funding given to you has been money well spent, yet the odd thing is that I am not aware of other airports where funding has not been made available where anyone has said, ‘We should assist the council.’ Quite plainly, you could not have done this on your funds, yet other shires are having to struggle with this matter. Has this been a topic of discussion between you and other airport managers?

**Mr Pettingill**—Yes. Probably the topic of fairly vigorous discussion has been new entrants versus transition versus airports that will not get funding and how the Shire of Derby was able to get this funding when a transition airport was not able to get it. That has probably been the topic of fairly lively discussion—transition airports not getting the funding saying, ‘We are not that much different from you. How come you could get it and we couldn’t?’

**Senator MURRAY**—Have you made DOTARS aware of the economic benefits of what you have done as well as of the security benefits?

**Mr Pettingill**—No. They know about the security benefits from the final report I have done.

**Senator MURRAY**—But they are not alert to the—

**Mr Pettingill**—Economic benefits, no. They would not know about them.

**Ms GRIERSON**—What does the signage say? What sort of signage do they put in?

**Mr Pettingill**—At the airport?

**Ms GRIERSON**—Yes.

**Mr Pettingill**—DOTARS put out standard signage for airports across Australia that said ‘No Entry’ and so on. We wanted particular signage that mentioned there was to be no alcohol airside and other things related to the Kimberley—people getting on a plane while transporting alcohol, drinking or intoxicated. We asked DOTARS whether we could have that.

**Ms GRIERSON**—Just a variation on that?

**Mr Pettingill**—Yes.

[3.50 pm]

**KEEN, Mr Colin, Executive Manager, Technical Services and Airport Manager, Shire of Halls Creek**

**McCONNELL, Mr Peter, Chief Executive Officer, Shire of Halls Creek**

Evidence was taken via teleconference—**CHAIR**—Good afternoon and welcome. I am Tony Smith, chair of the committee. I have with me Sharon Grierson, the deputy chair; Mr Ken Ticehurst, a member of the House of Representatives who is from New South Wales; and Senator Andrew Murray, a senator for Western Australia. I propose to read through the opening statement I made half an hour or so ago so that you are aware of the proceedings and then ask you for a short opening statement. We will then have some discussion. Is that all right?

**Mr Keen**—Yes, thank you.

**CHAIR**—I need to advise you that today's hearings are legal proceedings of parliament and they warrant the same respect as proceedings in 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 you are giving today over the phone will be recorded by Hansard. It will attract parliamentary privilege and be part of the parliamentary record of the federal parliament. Would either of you care to make a brief opening statement?

**Mr Keen**—This will be a bit off-the-cuff because obviously you have brought this meeting forward.

**CHAIR**—That is no problem. Thank you very much for fitting in with us; it is most appreciated.

**Mr Keen**—We have really been happy to accept this program for airport security. Obviously, remote places are a little different to the bigger airports, where perhaps you have a larger threat of terrorists. But we still have security issues in these remote locations and some issues that some of the bigger airports and ones in more urban areas do not come across. We have a high number of Indigenous people in the area, as you would be aware, and there is much alcohol and drug abuse. Those things, in themselves, present problems for aircraft and aircraft security and safety. Prior to the program and prior to the security fence being erected around the airport, we had a number of serious issues with people gaining access to the airside and causing damage to aeroplanes, which disrupted services and put passengers' lives at risk.

Regarding the program itself, it is a little early to comment on how effective it has been totally, because we are yet to receive all the funding for it and we are holding back on some of the measures until we achieve that. But we have completed the security fencing and that has been a major benefit, as I have just stated. The other benefit it has given us is that we have been able to cut back on the number of times we have to attend RFDS call-outs, which also puts a major strain on staff. In remote places we have a few staff who do most of the work. Previously a few staff had to turn out to RFDS call-outs—and we do get quite a lot of RFDS call-outs here to evacuate people. We had to do airport runs to make sure that kangaroos and other things, including people, were not on the runway. Now we have the fence, that risk has been lowered

and we have gained a big benefit from that, in making sure that the staff who do it get a night's sleep—and that has a psychological benefit as well.

We have not had any issues of security breaches since we have had the airport fence. There have been six instances of people crashing into the fence, but they have been mainly alcohol-related and drug-related vehicle incidents, which have been followed up by police and so forth.

**CHAIR**—Thank you very much. We will move to some questioning,

**Mr TICEHURST**—Colin, what have you actually done out on the airport?

**Mr Keen**—We have constructed a security perimeter fence for about five kilometres all the way around the outside of the airport.

**Mr TICEHURST**—That is a 2.1 metre or 2.4 metre fence?

**Mr Keen**—It is 2.4. It is of chain wire with three very close strands of barbed wire at the top. It has a foundation to it as well because we were worried about people digging underneath it.

**Mr TICEHURST**—You have been very thorough with your fence.

**Mr Keen**—We have been.

**Mr TICEHURST**—What else have you done out there?

**Mr Keen**—We put security gates, which are now lockable, onto the terminal building. We had an issue with local people gaining access to the terminal building and abusing the facilities there. In some cases they were sleeping and even bathing inside the building itself, which was not very pleasant if we had visitors coming in. It was difficult and costly to maintain those services. We have done some work on the lighting, but we have not installed any of the new upgraded lighting; we cannot do that until we get funding. So at the moment we have just done fencing, but the fencing has been a big base benefit in itself.

**Mr TICEHURST**—What has it cost you to do that fencing?

**Mr Keen**—About \$300,000.

**Mr McConnell**—I think the total cost was about \$335,000. Perhaps I could add to what Colin was saying. The sad part about this is that our airport is right in the centre of town and, in fact, the airport terminal would be only 150 metres at the most from the only hotel in town.

**Mr TICEHURST**—That is quite a problem.

**Mr McConnell**—It is quite a problem. I know that John Pearson and Kevin there know exactly what I am talking about. It creates a major security issue. As Colin has said, we have had some major issues regarding damage to planes by people late at night or early in the morning; hence we are hoping that, if we get this extra funding, we will have security cameras there as well.

**Mr TICEHURST**—Do you have the fencing around the actual terminal building as well?

**Mr Keen**—Yes, we do. There is a fence around the terminal building. It is a different type of fencing. It is actually a more rigid steel fencing with palings. It is both stronger and more aesthetically pleasing.

**Mr TICEHURST**—Was that included in that \$300,000 cost?

**Mr Keen**—Yes.

**Mr TICEHURST**—What about the security gates you were talking about? Are they part of the fencing?

**Mr Keen**—Yes, they are part of the fencing. At present, we have a combination lock on those gates, which is more like a padlock style arrangement. But, as part of the security measures, a keypad system is due to be installed shortly.

**Mr TICEHURST**—What operating hours do you have at the site?

**Mr Keen**—It is a 24-hour operation.

**Mr TICEHURST**—Do you have aircraft coming and going throughout the period?

**Mr Keen**—Yes, we do. Mostly it is RPTs during the day but, as I said earlier, we do have a considerable number of RFDS. I can give you an indication. The first month I was here, I did 34 RFDS call-outs in one month and most of those were at night—at 1, 2 or 3 o'clock in the morning.

**Mr TICEHURST**—What is the largest type of aircraft that you can handle there?

**Mr McConnell**—I am led to believe that it is a Dash 8. I have never seen a Dash 8 here, but I believe one is capable of landing on the airstrip.

**Mr TICEHURST**—They are a turbo prop.

**Mr McConnell**—Yes.

**Mr TICEHURST**—There are better aircraft than that around, but that is another story.

**Mr McConnell**—Yes.

**Mr TICEHURST**—Are you proposing to install CCTV cameras?

**Mr Keen**—Yes, we are. We are doing some research at the moment and I am trying to tie it up with existing systems that are in the town. Being remote—and this is something we will emphasise a lot to you—the problem we have is getting service from people. So, where we can combine it with another company that already supplies and get a good price for that, we can then



get the service as it is more worth while for them to come up and maintain the system. But it is one thing to have it installed; it is another thing to have it maintained. I have a note here about the sustainable procedures or measures that we put into place. We all have to consider, as I am sure you will appreciate, that whatever we put into place has to be sustainable. That is very important for remote places.

**Mr TICEHURST**—Do you have a broadband communication facility available?

**Mr Keen**—No.

**Mr TICEHURST**—Not even satellite?

**Mr Pearson**—Satellite is dysfunctional.

**Mr Keen**—I am not sure about that one.

**Mr McConnell**—No, we do not. But I am led to believe that we will be getting ADSL here within the next few months. I believe that we have the number of users needed to get it. We were told by Telstra Country Wide that it was going to be rolled out in Halls Creek. I think we, Fitzroy Crossing and perhaps Wyndham are the only three towns in the Kimberley region that do not have it. Hopefully, we will be getting it fairly shortly.

**Mr TICEHURST**—There would be no way then that you could link your cameras to Derby?

**Mr Keen**—Point (e)? No, we have plans to have them on a web-based camera. We will create a website for them. In theory, they should be able to be linked.

**Mr TICEHURST**—Will you use the same type of camera that they have here, which is motion activated?

**Mr Keen**—Yes.

**Mr TICEHURST**—That would certainly be handy for 24-hour operation.

**Mr Keen**—Yes. I also want to be able to monitor from my house and from the homes of key personnel, like the CEO and the Executive Manager of Technical Services, so that we can keep an eye on things and possibly have an option for the airlines to be able to monitor them.

**Mr TICEHURST**—Once you get ADSL, that should be available.

**Mr Keen**—Yes, it should be. That is the plan.

**CHAIR**—I have a couple of questions to flesh things out. We heard in earlier evidence here that the experience of working with DOTARS in these works had been quite positive. Is that your experience?

**Mr Keen**—Yes, it has been. The staff are very helpful. We are under a lot of pressure with resourcing, as you would imagine, and we really do appreciate the assistance that they have given us. My interpretation is that it has been a fairly drawn-out and cumbersome process and I have really appreciated their tolerance and help in preparing all the documentation.

**CHAIR**—Senator Murray made a point with our earlier witnesses that the government funding had provided important security upgrades but there had been an important secondary benefit in terms of the other issues that various regional airports face, be it people accessing the airport, be it livestock or kangaroos. Would I be right in saying that is particularly the case at your facility?

**Mr Keen**—Absolutely. This relates to airport safety with kangaroos, wallabies, dogs and local people. We have had instances, just to digress for a moment, of wheel events on the runway, people having campfires on the runway and those sorts of issues. All that has stopped since we have had the fencing.

**CHAIR**—There will be not just peace of mind but an ongoing saving to you, I suppose.

**Mr Keen**—Yes, there will be. Obviously we do have the cost of maintaining the fence, but we have the peace of mind that Peter, I and perhaps another member of senior staff do not have to be called out at all hours of the night to attend to some of these issues.

**Ms GRIERSON**—What is the population of Halls Creek?

**Mr McConnell**—The population of the shire is 4,300 people. The population of the Halls Creek town site is around 1,700. Of the shire we work on a percentage of 80 per cent Indigenous, and of the town, we work on a percentage of 70 per cent Indigenous.

**Ms GRIERSON**—What is the justification for direct flights to Halls Creek?

**Mr Keen**—We have an RPT service which runs Halls Creek-Fitzroy-Broome and Broome-Fitzroy-Halls Creek. It runs six days a week. It is a small seven- to eight-seater Navaho plane and it is very heavily subsidised by the state government. It is very similar to the one that runs Derby-Broome. It is, in fact, the same company that is running it. It does get a fair bit of usage with a lot of health patients and public servants that come here, and also a lot of mining company people are now coming out because we have a couple of major mines within the shire. It is getting well used, but it still relies very heavily on a state government subsidy for support and backup.

**Ms GRIERSON**—So it is all for Perth services basically. With the one that comes from Perth-Newman to you, does that happen?

**Mr McConnell**—No, that does not happen. That company actually went bust about 14 to 15 months ago and is not running anymore. We only have the RTC flights. We have two charter based companies here in Halls Creek. One is Oasis Air, and Northwest Regional Airlines have a plane stationed here.

**Ms GRIERSON**—You have secured your terminal. Has that been just by fencing or have you used other sorts of security?

**Mr McConnell**—No. At this stage we have secured it only by fencing. It is a small open terminal to allow the breezes to blow through—and not only that but also to stop people from camping inside it. That was a major issue. Then we have the toilets and so on on the side of it.

**Ms GRIERSON**—Will you have to secure the terminal eventually?

**Mr McConnell**—With the way that Halls Creek is growing, the fact that we have Sally Malay mine operating—and they have about five or six charters a week; two or three out of Darwin and the remainder out of Broome—and the advent of Tanami Gold down near the Balgo turn-off, I can see that in the future we will probably have to upgrade our terminal to a much better standard, which will include having all the security measures in there.

**Ms GRIERSON**—What about your cost recovery? Are you getting much revenue from your operations?

**Mr McConnell**—No, very little. It is really costing us an arm and a leg. I have been in Halls Creek for 11 years. We took the airport over from the DCA about 16 years ago. I believe that there was a fairly heated debate around the town about the shire fully supporting the running of the airport because it concerned access to mail, fresh fruit and vegetables and the Royal Doctor Flying Service and all of that. We have never looked to make any money out of the airport and it is certainly costing the council an arm and a leg at this stage. That is why we are very supportive and really appreciative of the help that DOTARS has given us for the fence and security cameras.

**Ms GRIERSON**—Because it has improved your asset and made it much more manageable for you in other ways. That is a benefit which I do not think we predicted, but that is great to hear.

**CHAIR**—Thank you very much for your time and for your concise evidence; it is of great assistance to us. The time that we have had here this afternoon has been of great benefit. I will finish where I started by once again thanking the shire here for their time, hospitality and work and again thanking you, Kevin, for your submission which, as I said at the start, is certainly the best we have seen. We know that you put a lot of work into it. I would ask the shire president to pass on to fellow councillors our appreciation. It certainly will feature in our report. Obviously that professionalism and attention to detail is something that your council and your officers bring to all aspects here to make this place the success it is. Thank you very much.

**Mrs Archer**—Thank you.

**Mr McConnell**—Perhaps I could say just a couple of words.

**CHAIR**—Please do.

**Mr McConnell**—I would like to thank Elsie, John and Kevin in Derby for allowing this to happen and to thank you for enabling us to connect up and have this hearing. We would have

liked very much to have been there in person, but I know that you are aware of the schedule that we have—Elsia and John tomorrow are going to Newman and I am on my way to Perth. We felt it was very important that we have our say on this matter because we are very appreciative of what has been done for us in helping us out and increasing our asset; it certainly has increased the security down here. We thank everybody for the opportunity of having this phone link-up. It was something that we really did not want to miss.

**CHAIR**—We appreciate your remarks. This has been our fifth visit and we have another one tomorrow in Broome. It is good to see two optimistic groups of people making the most of an opportunity, and yours has been great evidence to get. We can tell from your submission and from your evidence today that you bring great diligence to your work here in the shire. We just wanted to mention that.

**Mrs Archer**—We thank you all very much for coming to us. I would like to especially thank Kevin, who arranged all this. Kevin has done a wonderful job with his presentation. We hope you enjoy the rest of your time.

**CHAIR**—Our coming here has been most worth while. On behalf of the committee, I thank all witnesses, those who are with us in person and those on the telephone line, for the evidence they have given at today's public hearing.

Resolved (on motion by **Mr Tony Smith**):

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 4.10 pm**