

17 July 2003

The Secretary  
Joint Committee of Public Accounts and Audit  
Parliament House  
CANBERRA ACT 2600

Dear Sir

**Submission to the Federal Parliament Public Accounts and Audit Committee.**

**Review of AVIATION SECURITY in Australia.**

The following submission is provided by Westralia Airports Corporation as the operator of Perth Airport, Western Australia.

The submission addresses the Committee's terms of reference for the enquiry.

**a) Regulation of aviation security by the Department of Transport and Regional Services.**

It is considered appropriate for the Department of Transport and Regional Services (DOT&RS) to continue as the agency responsible for the regulatory role of aviation security in Australia. It is essential that sufficient resources with appropriate skills are available to the Department to perform this function.

The Department should continue to maintain a high level of consultation with the aviation industry on policy and regulatory measures.

It is important that DOT&RS officers have an understanding of airport and airline operations when determining aviation security policy. This understanding should extend to the commercial impact that regulatory changes may have on aviation businesses.

The Department should also apply sufficient resources including materials to facilitate an ongoing security training program for industry participants and an aviation security awareness campaign for the public.

The Department should take steps to clearly define the role of State and Federal Police resources responding to security incidents on airports and ensure that this information is communicated to those agencies and understood at all levels.

To enable airport operators to manage security risks, the Department should disseminate security intelligence information to airports on a regular and frequent basis.

The current system of categorising airports for the purpose of determining the range of security measures to be applied at airports should be reviewed. The current category system restricts flexibility in the application of security measures and does not take into consideration operational circumstances peculiar to a particular airport.

**b) Compliance with Commonwealth security requirements by airport operators at major and regional airports.**

WAC has a commitment to safety and security in operations at Perth Airport. This policy is determined not only to meet the regulatory requirements as prescribed by DOT&RS but also to protect our business, our business partners and the airport assets.

To this end WAC will continue to work with the Department and other stakeholders to maintain an appropriate level of security at Perth Airport. The proposed infringement notice and demerit point system under the current draft security regulations should be reconsidered. These particular regulations are ill directed, do not foster a cooperative relationship between the Department and the industry, and do little towards improving the security outcome.

WAC supports a continued audit regime to ensure airport compliance with prescribed security measures. The audit process should provide airports with a comprehensive documented audit report. In addition to the DOT&RS audits, WAC recommends that an independent audit body also conducts airport and airline audits.

The provisions under the draft Aviation Transport Security Bill 2003 to appoint Australian Protective Service (APS) officers as aviation security inspectors is not supported by WAC. Our objection is on the grounds that there is potential for conflict of interest in APS officers auditing airports where they have a responsibility to the airport for the provision of security services. The use of APS officers to conduct audits on airports where they do not have a security role is supported, providing APS officers are adequately trained for this function.

**c) Compliance with Commonwealth security requirements by airlines.**

No comment.

**d) The impact of overseas security requirements on Australian aviation security.**

It is difficult for airlines or airport operators to determine the future security requirements at overseas ports with any certainty. The transfer of information on security arrangements is at times restricted to between Governments and is not for release to airlines or airport operators. Security arrangements at overseas ports may have significant financial and operational impact on airlines transiting these ports if the prescribed security standards in Australia are different to the overseas standards. Accordingly it is incumbent on the Department of Transport and Regional Services to ensure that security standards in Australia meet those of overseas transit ports, or at least that Australian airlines and airport operators are notified officially of the standards that are required at these ports.

**e) Cost imposts of security upgrades, particularly for regional airports.**

Costs of security upgrades have significant impact on all airports. The implementation of additional security measures as mandated by DOT&RS since the events of September 11, 2001 have had a significant impact on the operating costs for airlines and airports. The recent initiative to introduce 100% CBS for all international flights requires substantial capital expenditure at Perth Airport for x-ray equipment and associated upgrade of the baggage handling system.

Insurance costs for Perth have also increased by 273%, from fiscal year 2002 to fiscal year 2003 this increase is primarily due to the perceived increased risk for the industry following September 11, 2001.

The cost of increased security measures is ultimately passed on to the travelling public and as a consequence will be influential in the travel decision of the public.

Security costs for the provision of the mandated Counter Terrorist First Response (CTFR) function on airports continue to increase with little opportunity for recourse on charges from the service provider. Given the prescribed standards for the provision of this function there is essentially no competition in the market place for this service. CTFR costs at Perth Airport have increased by 21% since fiscal year 2001.

Security measures at airports provide a measure of protection for the assets of the airport operator and the airlines. In addition these security measures provide general protection for the public and assets of the states and the Commonwealth. Accordingly the cost of providing aviation security measures should not be the sole burden of the aviation industry and the travelling public. The Commonwealth should provide a financial contribution that is commensurate with the level of protection that aviation security provides to the wider community of Australia.

**f) Privacy implications of greater security measures.**

While there is a layered approach in the application of security measures on airports, there is considerable focus on the screening of passengers. Increased security measures and advanced technology to detect prohibited item may have the potential to be more intrusive with the possibility of claims against security personnel of inappropriate personal contact or behaviour.

Airport workers are also subjected to detailed security checks to enable the issuing of Aviation Security Identification Cards (ASICs). ASIC issuing authorities must conduct the security clearance process, in accordance with the Privacy Act. Personal information provided by applicants is now shared with other agencies as part of the clearance process limiting the ability of the ASIC issuing authority to ensure Privacy Act compliance. Opportunities for ASIC issuing authorities to conduct security checks for ASIC applicants quickly with online access to appropriate information should be fully explored.

**g) Opportunities to enhance security measures presented by current and emerging technologies.**

As stated previously there is significant emphasis on the screening of passengers to prohibit weapons from carriage on aircraft. All passengers are subjected to the same screening regime regardless of status. Consideration should be given to the implementation of other security checks on passengers to augment the screening process. Consideration should be given to the following initiatives;

- All domestic travellers to provide photo identification at check in.
- The development of a shared database between airlines of persons with a criminal record or a history of previous disruptive behaviour on aircraft.
- The development and implementation of an increased measure of passenger profiling including a process whereby persons could voluntarily submit personal details to airlines to obtain a security check for the purpose of gaining a "trusted traveller" status.

Yours sincerely

**Westralia Airports Corporation**

**Richard Gates**

General Manager, Airport

(08) 9478 8410

email richard.gates@wac.com.au