

Chief Executive Officer

Mr John Carter
Sectional Committee Secretary
Joint Committee of Public Accounts and Audit
Parliament House
CANBERRA ACT 2600

Dear Mr Carter

Thank you for your letters of 19 and 21 September 2000 concerning AMSA's appearance before the hearing of the Committee on 8 September 2000 for the review of Coastwatch.

In relation to the attached Hansard transcript of evidence, there was no need for AMSA to suggest any corrections to the segment covering our appearance before the Committee.

During the hearing, there were two questions on notice taken during AMSA's evidence and the Committee also sought some additional information. The answers to these questions and the requested information are provided in Attachment A.

Your second letter raised a number of issues from AMSA's submission and those of other interested parties. This additional information is provided in Attachment B.

Yours sincerely

Clive Davidson

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ATTACHMENT A

**JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT
REVIEW OF COASTWATCH**

**AUSTRALIAN MARITIME SAFETY AUTHORITY
RESPONSE TO QUESTIONS ON NOTICE**

The first question (commencing at the base of page PA103 of Hansard) concerned the flag ships that have been prosecuted for pollution offences and how these were detected.

Since 1 January 1990, there have been 125 ship sourced pollution incidents that have been prosecuted or a prosecution is pending. Coastwatch detected seven of these incidents and the rest were primarily reported by the relevant port or state authority, civil aviation, or another vessel. Vessels from the following flag States were involved in these incidents:

<u>Flag State</u>	<u>No. of Prosecutions</u>	<u>Flag State</u>	<u>No. of Prosecutions</u>
Australia*	32	Netherlands	2
Liberia	13	Russia	2
Panama	11	Cyprus	1
Unknown (not reported)	10	Denmark	1
Honk Kong, China	7	Ecuador	1
Norway	5	Gibraltar	1
India	4	Japan	1
Bahamas	3	Korea	1
France	3	Nauru	1
Greece	3	New Zealand	1
Italy	3	Saint Vincent	1
Malaysia	3	Tonga	1
Singapore	3	Turkey	1
Germany	2	United Kingdom	1
Iran	2	United States	1
		Vanuatu	1

* Australian vessels include trading ships, fishing vessels, tugs, barges and recreational craft.

During this period, Coastwatch reported 290 other pollution incident sightings. The majority of these were investigated, however legal action could not be taken, either because the responsible vessel could not be identified or there was insufficient supporting evidence that a breach of the relevant regulations had occurred.

The second question (at the base of page PA 106 of Hansard) concerned the proportion of search and rescue operations "offshore" and the proportion "onshore".

The following table divides the total number of 423 search incidents undertaken by AusSAR during 1999-2000 into aviation, land, maritime and other searches. The "other" category mainly represents searches where the origin or cause was unknown.

This primarily arises from emergency beacons being activated, which instigate a search, but the activation is terminated before the beacon can be located. These incidents are recorded as “unresolved searches”.

Table 1. Origin of searches during 1999-2000

Origin	Incidents	Origin	Incidents
Aviation	135 (31.9%)	Maritime	175 (41.4%)
Land	49 (11.6%)	Other	64 (15.1%)

The table indicates that nearly 42% of searches were maritime in nature. This percentage may increase slightly since a small number of the aviation and unknown incidents would also have been located off the Australian coast.

At the hearing, the Committee also sought some general information on the proportion of civilian, Coastwatch and Defence resources used in search and rescue operations. Australia has responsibility for a search and rescue (SAR) area amounting to some 53 million square kilometres or one-tenth of the world’s surface.

AusSAR has no dedicated assets with which to conduct search and rescue operations; rather, it relies on assets of opportunity. To facilitate effective search and rescue operations, AusSAR provides training and equipment to 42 selected aviation operators around Australia called Search and Rescue Units (SRU). These operators comprise general aviation companies and some emergency service aircraft provided by State Police and Ambulance services. AusSAR also has an extensive aviation database that is used to identify other civilian operators around Australia that can be tasked in search and rescue operations.

Where incidents are beyond the capability of civilian resources, AusSAR is able to call on Coastwatch and Defence resources. The following table outlines the proportion of the types of assets used in searches by AusSAR during 1999-2000.

Table 2. Type of assets used in search and rescue operations in 1999-2000

Asset	Hours	Cost (\$ 000s)
Civilian and State/Commonwealth Government	1,831 (90.8%)	\$2,396 (90.0%)
Coastwatch aircraft	112 (5.6%)	\$268 (10.0%)
Defence	74 (3.6%)	
Total	2017	\$2,664

The Committee also requested at the hearing some general information about the cost basis of AusSAR’s operations. The Government provides Budget funding to AMSA for search and rescue as a Community Service Obligation (CSO). It provides this funding in two parts. The first is an annual appropriation of about \$16.6 million to AMSA to cover the infrastructure and day to day costs of AusSAR. The second is a contingency item that covers the reimbursement to AMSA of costs incurred in responding to actual search and rescue incidents. Last year, these actual search and rescue costs amounted to \$2.7 million.

In addition, the maritime industry contributes \$3 million through an AMSA levy for half the cost of the Coast Radio Station network. The following table sets out the cost structure of AusSAR.

	Item	\$ (000s)
Revenue		
	CSO	16,262
	Levies	3,025
	Other	24
	SAR operations	2,722
	Total	22,033
Expenditure		
	Response Coordination Centre	5,345
	SRU Program	4,065
	Distress and safety communications network	6,050
	Policy and SAR School	1,336
	Corporate	3,422
	Actual SAR operations	2,722
	Total	22,940

**JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT
REVIEW OF COASTWATCH**

**AUSTRALIAN MARITIME SAFETY AUTHORITY
ADDITIONAL INFORMATION**

The Relationship between Coastwatch and its Clients

Question 1: *On page 2 of AMSA's submission, it is noted that in December last year, AMSA entered into a service level agreement with Coastwatch. Has the existence of such documentation benefited your relationship with Coastwatch? If so, in what way?*

Answer

AMSA's submission noted that the service level agreement was entered into on 21 December 1999 with the Australian Customs Service (ACS), which includes as Schedule C the services provided to AMSA by Coastwatch. Clause 8 (page 6) of the Service Level Agreement outlines the range of services provided by ACS which are elaborated in the schedules to the agreement. The availability of Coastwatch resources is just one of those services.

The agreement identifies working arrangements between AMSA and ACS and, as far as practicable, the level of service to be provided. In the overall management of AMSA's relationship with ACS, the Service Level Agreement is an important underpinning element that defines each parties' respective responsibilities and the agreed level of service delivery in broad terms.

The development of the service level agreement necessarily required both parties to formally consider the nature and extent of their interdependencies and provides a framework for building a cooperative and sound working relationship. However, this formalisation of arrangements is no substitute for having a good working relationship between the parties, which AMSA has with ACS, and this includes regular consultation on the details of service delivery.

Question 2: *The submission from the Queensland Government (submission no. 36 on page 3) indicates there is an informal arrangement between Coastwatch and AMSA to report oil pollution incidents. The Queensland Government did not consider the informal arrangement as being adequate to give absolute assurance that its agencies receive notification quickly enough to make immediate and adequate response.*

Would AMSA care to comment?

How might such apparent communication problems be overcome?

Answer

The Queensland Government submission's comments about "informal arrangements" in relation to pollution reporting appeared in the context of its concern about there being no memoranda of understanding between Coastwatch and State agencies as to provision of surveillance services.

However, as indicated in AMSA's submission, our Service Level Agreement with ACS explicitly refers in Schedule C (page 13) to Marine Environment Protection activities. These include arrangements for Coastwatch aircraft and ACS vessels on routine patrols to obtain for AMSA evidence of oil spill coverage and for tasking by Coastwatch of ACS or Australian Defence Force vessels to obtain oil samples during routine patrols or taskings.

Relevant surveillance information coming to AMSA under these arrangements is readily conveyed to appropriate State and Territory administrations. AMSA cooperates closely with State and Territory administrations in the collection of evidence for the pursuit of prosecutions for pollution offences. The Queensland Government's submission also comments that there is excellent cooperation between AMSA and the Great Barrier Reef Marine Park Authority (GBRMPA) in working to protect this environmentally sensitive area from marine pollution.

AMSA's submission refers to our management of the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances (the National Plan). This is a nationally integrated framework for providing oil pollution preparedness and response services involving State and Northern Territory governments, their port corporations and authorities, the shipping, oil, exploration and chemical industries, and emergency services.

State, local and industry contingency plans support the National Plan arrangements. Examples of a local area plans are REEFPLAN, covering the Great Barrier Reef region, and TORRESPLAN for the Torres Strait area. Each State and the Northern Territory has a National Plan State Committee, chaired by a senior member of the State or Territory marine or environmental authority. Also represented are AMSA, the environmental authority, the oil industry, emergency services and other relevant agencies. Any issues concerning the adequacy of these response arrangements to pollution incidents can be raised in this expert forum.

Question 3: *On page 2 of AMSA's submission, support is given to the Auditor-General's recommendation that Coastwatch review the functionality of its Operations and Program Advisory Committee with the aim of focusing its work on strategic administrative policy issues. Coastwatch has agreed with the recommendation. In AMSA's view, has the Operations and Program Advisory Committee improved since the audit finding?*

Answer

AMSA appreciates Coastwatch's refinement of the agenda for the Operations and Program Advisory Committee to focus more on higher level policy issues in the last six months, since the Auditor-General's Report was released in April this year.

Question 4: *Reef Helicopters has commented (submission no. 27 at page 3) that the Holloway's beach SIEV incident in 1999, a marine pilot of Australian Reef Pilots reported the vessel two days prior to its landing but the report apparently was not directed to someone who appreciated the importance and was able to act.*

Would AMSA comment?

Australian Marine Pilots appear to be an untapped intelligence resource – how might the information they come across be added to the pool of maritime intelligence?

Answer

The specific point in the Reef Helicopters' submission already has been canvassed in the independent inquiry conducted by Air Vice Marshall Alan Heggen AO (retired) into the landing of the vessel at Holloways Beach, Cairns, in March 1999. AMSA assisted the inquiry. The inquiry's key recommendations were incorporated into the Report of the Prime Minister's Coastal Surveillance Task Force in June 1999.

Following Air Vice Marshall Heggen's inquiry a more effective reporting processes were instituted which included strengthening the relationship with Coastwatch for the reporting of matters of interest to ACS.

In relation to marine pilot services, AMSA has a role in regulating the qualifications and duties of coastal pilots, which operate in the Great Barrier Reef region. Coastal marine pilots already are required to report serious safety deficiencies aboard ships to AMSA under Marine Orders Part 54 made pursuant to the *Navigation Act 1912*.

This requirement arose from a recommendation of the 1998 report by the House of Representatives Standing Committee on Communications, Transport and Microeconomic Reform (the "Ship Safe Report"). The Committee was concerned about the possibility that safety deficiencies were not being reported because of commercial pressures on pilots. By making reporting compulsory, the Committee felt that no pilotage firm could be commercially disadvantaged for acting responsibly.

The Effectiveness of Coastwatch's new Resources in the Torres Strait

Question 5: *The Committee wishes to explore the effectiveness of the new Bell 412 helicopter based in the Torres Strait.*

When the new helicopter was purchased for the Torres Strait, was AMSA consulted regarding its capabilities?

Answer

No. However, AMSA was aware of the tender and its equipment specification. In general terms, a helicopter equipped to meet Coastwatch requirements also satisfies AMSA's expectations for a well-equipped search and rescue platform.

Question 6: *The Committee understands the helicopter has been involved in search and rescue operations in the Torres Strait.*

Would AMSA provide details of those incidents?

How effective as a search device was the FLIR on the helicopter?

When undertaking search and rescue, have either the winch or rappelling devices been deployed on the helicopter?

If not, how confident is AMSA that these devices could be successfully deployed by the helicopter crew?

Answer

The Bell 412 has been tasked for 20 search and rescue operations totalling 47.7 flying hours between 24 January and 20 October 2000. Airborne mission times have ranged from 0.5 to 4.9 hours, with an average of 2.4 hours. Night flying capability was relevant in 14 of the 20 operations.

On 18 occasions the helicopter was tasked to locate a transmitting distress beacon, to identify the nature of the distress, and to conduct a rescue if necessary. On another occasion, the helicopter was tasked directly to undertake a rescue since a Coastwatch fixed-wing aircraft had already located and identified the distress situation. The remaining operation was a daylight search for a missing vessel.

While the crew may have used the FLIR in some of the above operations, AMSA has not specifically required the use of FLIR by this machine and is therefore unable to comment specifically on its effectiveness on this helicopter. However, AMSA considers that in certain circumstances, FLIR is an effective item of equipment for search and rescue operations and supports the fitting of FLIR to aircraft for search and rescue operations.

The Bell 412 has successfully winched nine survivors to safety in three operations, but we understand that the rappelling devices have not been used in AMSA coordinated search and rescue operations. AMSA has no reason to doubt the competence of the crew to deploy the equipment.