

Our Reference : 1/5/16/2  
Date : 25 July 2003

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

**Dear Sir**

I write in reference to the invitation to make a submission on the Review of Aviation Security in Australia, contained in the Committee's press release of 5 June 2003.

Please find attached Adelaide Airport Limited's submission for consideration by the committee.

We would welcome the opportunity to attend and present at one of the public hearings to be convened later in the year and advise that we will probably be represented by:-

- Mr Phil Baker           Managing Director;
- Mr Vince Scanlon      Manager Engineering and Airport Services;
- Mr Mal Andrews       Manager Passenger and Terminal Operations; and
- myself.

We thank you and the Committee for the opportunity to take part in this review of Aviation Security an integral component of National security.

**Yours sincerely**

**John McArdle  
Manager Corporate Affairs  
Adelaide and Parafield Airports**

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Attach



**SUBMISSION TO  
JOINT COMMITTEE OF PUBLIC ACCOUNTS and AUDIT  
REVIEW OF AVIATION SECURITY IN AUSTRALIA  
25 JULY 2003**

**a) Regulation of Aviation Security by the Commonwealth Department of Transport and Regional Services**

Adelaide Airport Limited (AAL) is of the view that this Department in its various names over the past 30 years or so has developed an enviable reputation in the establishment of policy, administration, monitoring and adherence to aviation security principles and standards. Regrettably the Commonwealth does not appear to have a suitable succession training program to retain experience, or experienced personnel at the Executive or Head Office level. Regionally the Department has officers that are aware of the airport environment and can empathize with the issues faced by operators at the coal face.

However, some stronger intervention and support from the Local Representatives at the airport level would be welcome particularly where security applications applied by the airport operator are 'best practice'.

It is also evident that the policy makers are too frequently influenced by their Political Masters and other jurisdictions, sometimes to the cost of the industry and indirectly to the timing of the security product delivered.

**b) Compliance with Commonwealth Security Requirements by Airport Operators at Major and Regional Airports.**

Compliance with Commonwealth security requirements is an integral component of the airport infrastructure and cost base. The record will show that in the main compliance is of a high standard and that when it comes to aviation security and safety there can be no compromise to the management of the risk as competently assessed.

That being said, inconsistent and delayed decision making due, in the main, to the interferences caused by Political influences and impulse desires can be quite an exorbitant impost to an airport operator.

In addition, the Dept of Transport and Regional Services seem to have prepared this current legislative framework as if the airlines and airports were still Government run. The draconian penalty systems and non prescriptive outcomes are more suited to a Public

Service environment rather than a commercially based operator with a Board of Directors and severe budgetary planning and controls to serve.

It is our view that an appreciation by the various Canberra bureaucracies into the issues related to the running of an airport as a business would go a long way to improving the relationship and the outcomes of not only aviation security but in other related areas such as aviation safety as well.

In regard to Regional airports we are not in a position to speak for those operators but are cognizant of the “ill informed” pressures being placed on our Regional and Rural colleagues by media, business and local government agencies to introduce security measures that have no threat assessment basis. We believe that the impost would cripple Regional aviation and indeed affect a significant part of our own cost base.

That being said, the recent international security issues clearly identified that the threat is against the State not the airport or airline accordingly, the Commonwealth has an interest in protecting all Australians and should not pass that impost onto the traveling public alone.

Accepting that premise, Regional Australia would then come under the National Security Umbrella and the scope of security categorization at Regional Airport could then be commensurate with the threat level assessed.

**c) Compliance with Commonwealth Security Requirements by Airlines**

Again we are not in a position to speak on behalf of our airline colleagues but are aware that they share our commitment to the highest compliance to safety and security.

We contend however, that where simple security measures i.e.; passenger head counts and control of passengers on aprons etc., are not in place then the Commonwealth must step in to ensure that the proper process is taking place and not leave it up to a third party such as the airport operator.

**d) The impact of overseas Security Requirements on Australian Aviation Security**

It is concerning that a country the size of ours and with a world wide reputation for excellence in technology cannot through its relevant Government agency arrive at a definitive guideline on what is required and what outcomes should be achieved to satisfy security fundamentals:-

- need for effective measures which deliver genuine outcomes against identified threats; and
- community to have a strong sense of security borne out of their own experience and observation of measures at hand.

Instead we find that we are waiting for and subject to predominantly American directives. In another arena we are being expected to “kow tow” to an airspace system that is American in design but highly unsuitable to the Australian environment.

The airlines that fly into and out of this country and the airports that are required to provide the security infrastructure for these airlines are acutely aware of the divergent range of jurisdictions into and from which they operate. Australia needs to identify and develop its security infrastructure based on the credible threats to Australia – you will not see UK, Singapore or other countries being influenced by the USA.

In short Australia must make up its own mind on the security standards it proposes along the ICAO guidelines and learn to take charge like the UK, USA and Israel.

#### **e) Cost Impacts of Security Upgrades, Particularly for Regional Airports**

The cost imposts for major ports, including Adelaide where we are trying to finalise the design of a Multi User New Terminal incorporating the security infrastructure to take us into the next decade, under the current directives are expected to be in the order of hundreds of millions of dollars. Airlines can also be expected to face similar amounts with the requirement to retro fit cockpit doors and provide free prime seats for Air Security Officers (Sky-marshals) – these costs and concerns have been broadly documented.

However, as mentioned earlier, the emotive and reactive flow on to Regional and Rural Australia if it occurs has the potential to seriously threaten the future viability of Airservices to these regions. The impact of aviation security on regional airports will run into millions of dollars at each port if they are required to implement the full range of security measures. The emotive reaction of some communities needs to be tempered with encouragement for credible threat and risk assessments.

As mentioned in “b” above, should Regional Airports fall under the National Security funded umbrella then a bonus would be that Regional passengers and baggage would be able to assimilate in to existing Security Categorized airports much more smoothly.

#### **f) Privacy Implications of Greater Security Measures**

If credible threat assessments warrant greater security measures which in turn require impacts on the privacy regime then the threat will dictate how privacy implications go and presumably a relevant regulatory process will issue. At present, most Australians undergo far more intrusion of privacy to get a Video Hiring membership than to get into an airport or onto an airplane.

Basically, Privacy issues should be put aside where credible security threats exist and appropriate remedies are available.

Some screening technologies that show whole of body opaque and are available and in use in other jurisdictions, could well be required to alleviate an assessed threat and should

not be overlooked because of “invasion of privacy”. However, when it comes to the crunch, if the threat exists then the use of relevant technologies to remove or reduce that threat should be able to be justified.

**g) Opportunities to Enhance Security Measures Presented by Current and Emerging Technologies**

In addition to the technology mentioned in f) above, the Commonwealth must take a proactive and leadership role to embrace the latest in security technology to “stay ahead of the game”.

Without this definitive leadership cost and quality are affected adversely to the detriment of the national security.

It is in the national security realm that the Commonwealth as a whole needs to be sharing the burden with the application and management being conducted by airports and airlines.

In the event that this is not able to become Government policy, the Regulator must recognize that once the mind is made up to adopt a particular technology then a reasonable period must be permitted to allow a return on capital outlay to be realized. Otherwise a remedy is for the Commonwealth to buy equipment and absorb the losses if technology advances before pay periods are met.

Additionally, timescales when mandating change of equipment or process needs to be realistic and recognize airport and location specific issues such as the threat level, current/future development and so on.