Submission to the

Joint Committee on Public Accounts and Audit

Review of Aviation Security

8 July 2005

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1. INTRODUCTION

1.1   The Australian Customs Service (Customs) has primary responsibility for border protection, including within the international airport environment. From an operational perspective, Customs risk assesses persons, goods and aircraft entering and leaving Australia. It also has an interest in the activities of persons with airside or restricted area access at international airports where they may pose a threat to the integrity of the border.   Customs uses a risk management approach in the deployment of its resources so as to maximise its coverage of areas assessed as posing a higher risk.

2. CUSTOMS ROLE IN AVIATION SECURITY

2.1   The generally accepted international definition of aviation security is about preventing unlawful interference with aircraft[*]. Customs does not have a direct or legislated role in aviation security in this sense, but does make a contribution because of its large presence and the related activities it performs at international airports.

2.2   More recently, aspects of general airport security, which do not specifically relate to unlawful interference with aircraft, are also being considered as falling within the scope of aviation security in the press and in public debate. Using this much broader definition, Customs could be regarded as having more of a role in aviation security at those international airports where it has a presence. But even so, this is not Customs prime function and any role it performs in this area will be a by-product of its core function of border protection.

2.3   Customs extensive border protection operations within the international airport environment do have synergies with aviation security. For example, general airport security with good access control is essential for both aviation and border security. However, much of the work that Customs does at airports is not related to aviation security even in the broadest sense.

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[*] International Civil Aviation Organisation

Diagram 1: Border Security / Aviation Security

Area of overlap between Border
Security and Aviation Security
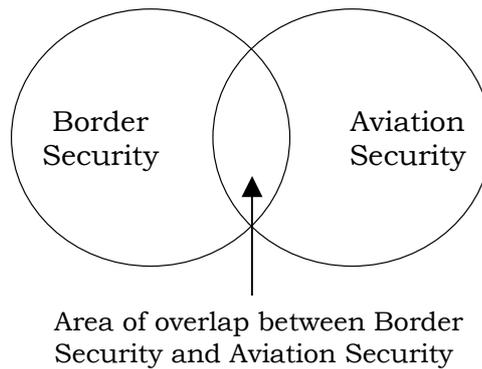
2.4 One noticeable difference between border security and aviation security is the location of the main activities. The main focus of border security is with arrivals, where the aim is to prevent threats from entering the country and the Australian community. With aviation security, the focus is on departures where the aim is to prevent threats from being taken on board the aircraft. To illustrate; a weapon detected on a passenger trying to board a flight is a threat to aviation security as the passenger may use the weapon to take over the aircraft. The same weapon detected on an arriving passenger is no longer a threat to the aircraft but is a border protection issue as it may involve an illegal importation.

2.5 Because of its important role in the airport law enforcement community, Customs is involved in the planning and organisation of security related activities. Customs officers are necessarily involved in responses to border and aviation security related incidents at international airports.

3. CUSTOMS PROCESSES AND CAPABILITIES

3.1 Passenger Clearance Processes at Airports

3.1.1 There are a number of agencies and industry participants involved in the clearance of passengers in the international airport environment performing a range of functions. The following provides a simple schematic representation of this for passengers arriving and departing.

Diagram 2: Arrivals Process

Aircraft arrival
(airline)

Transit passengers

Transit baggage

Sterile area security screening
(airport / airline contractor)

Passenger

Baggage

Loaded on to connecting flight – remains airside

Immigration processing
(Customs)

Baggage removed from aircraft
(airport contractor)

Passenger and baggage reunited

Passenger assessment activity
(Customs)

Quarantine Screening
(AQIS)

Baggage examination
(Customs)

Passenger cleared

Diagram 3: Departures Process

International Check in
(airline)

Domestic check in for
international flight
(airline)

Passenger

Baggage

Baggage – remains airside

Immigration processing
(Customs)

Checked bag screening
(airport contractor)

↓

↓

Targeted enforcement activity
(Customs)

Targeted enforcement activity
(Customs)

↓

↓

Sterile area security screening
(airport / airline contractor)

Baggage make-up area
(airline contractor)

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↓

Boarding pass check
(airline)

Bags loaded on to aircraft
(airline contractor)
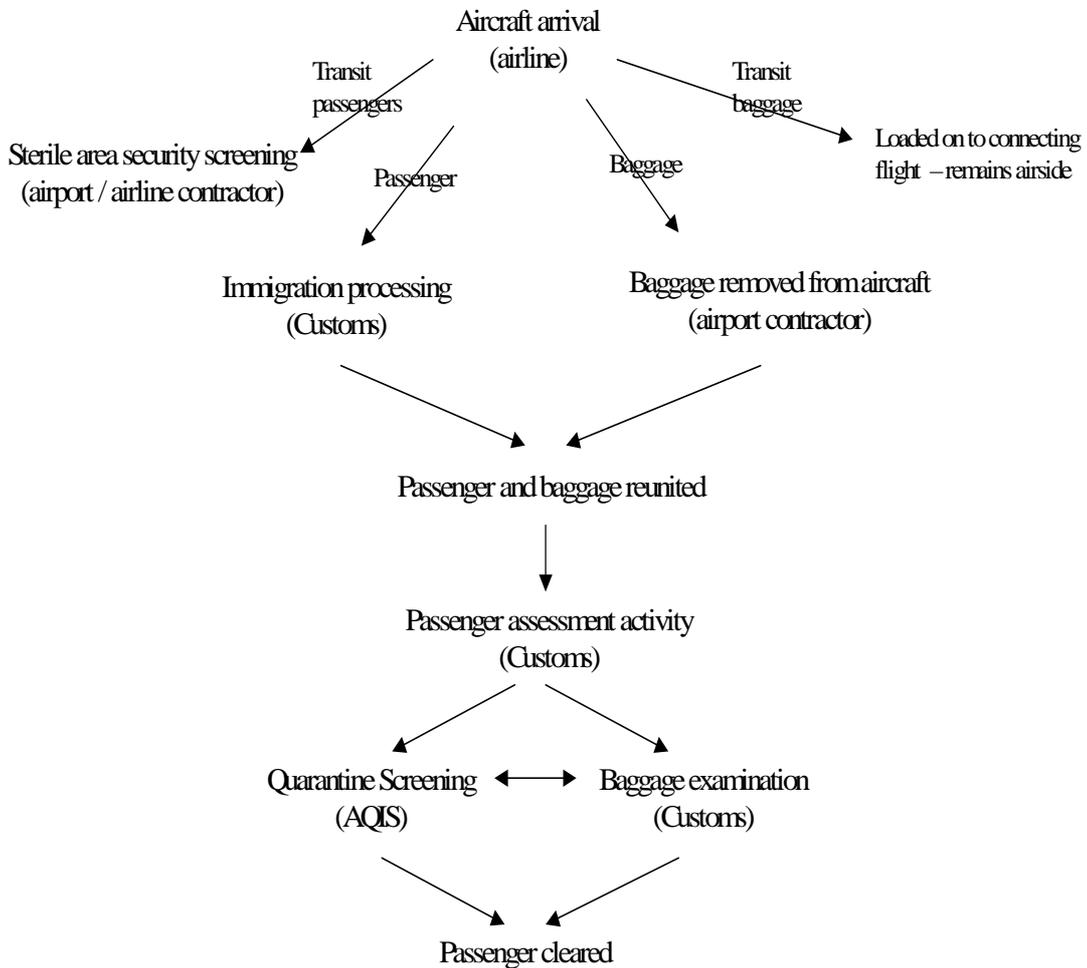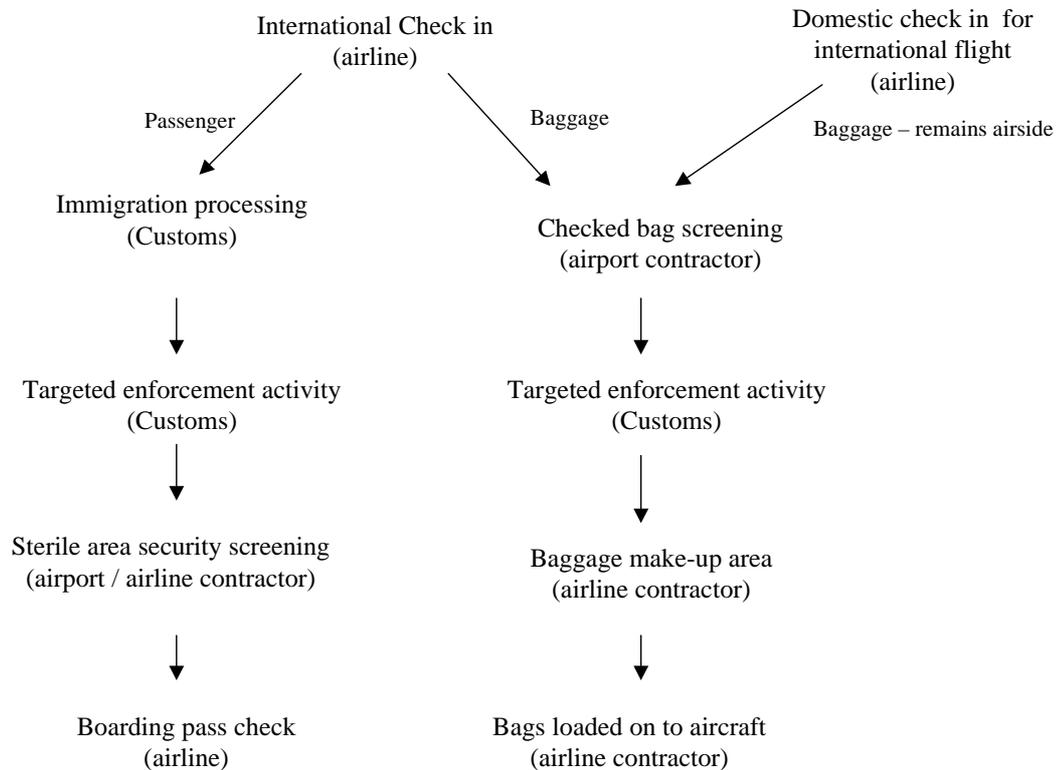
3.2   Customs at International Airports

3.2.1   Customs Role

Customs principal role at airports is to facilitate the movement of people and goods across the Australian border while protecting the community and maintaining appropriate compliance with Australian law. This is done by ensuring that genuine travellers and goods move across the border quickly, illegal activity is detected and intercepted and Customs duty and other taxes are administered. As such the majority of Customs staff and operational capability at airports is located within Customs controlled areas of the airport terminal to process, assess and examine passengers and goods entering the country.

3.2.2 Customs focuses its resources on those areas that pose the greatest potential threat to the Australian border. As a result, the majority of Customs resources are deployed to deal with people and goods entering Australia. Customs resources for the outwards movement of people and goods is limited, in the main, to immigration processing functions unless specific risks have been identified that would warrant a Customs enforcement response.

Diagram 4: Customs Act Areas at Airports
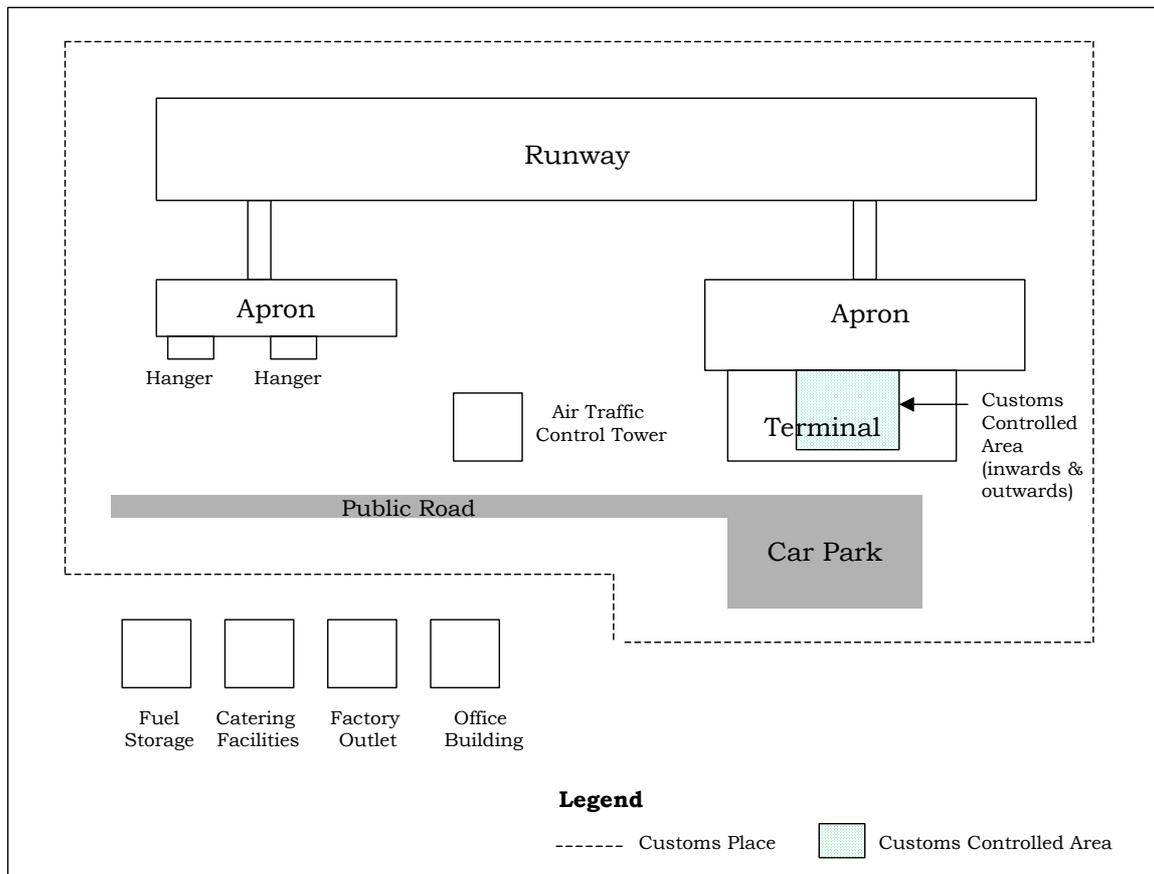
3.2.3   Customs Place

A Customs Place is defined in s.183UA of the *Customs Act 1901* and includes, but is not limited to:

- a port, airport or wharf that is appointed, and the limits of which are fixed, under section 15; or
- a place that is the subject of a permission under subsection 58(2); or
- a boarding station that is appointed under section 15; or
- a section 234AA place that is not a place, or a part of a place, referred above.

3.2.4 The Customs Place is used to define where certain powers contained in the Customs Act apply or may be exercised by Customs officers. There are five main categories of powers in the Customs Act relevant to airports, and these are powers relating to:

- Aircraft Control;
- Inwards Processing;
- Outwards Processing;

- Detention, Search and Seizure; and
- Control of Goods Imported and Exported by Travellers.

3.2.5 Certain powers are only exercisable within certain areas of the Customs Place, which are defined under s.234AA of the Customs Act as Customs Controlled Areas.

3.2.6 A Customs controlled area is generally a place used by a Customs officers to question passengers disembarking from or embarking on a ship or aircraft, and where a sign is displayed that states that entry into it by unauthorised persons is prohibited.

3.2.7 Areas defined within the Customs Act relating to Customs Places and Customs Controlled Areas are different, but in certain places overlapping, with areas and zones defined under the Aviation Transport Security legislation.

Diagram 5: Aviation Transport Security Act Areas and Zones
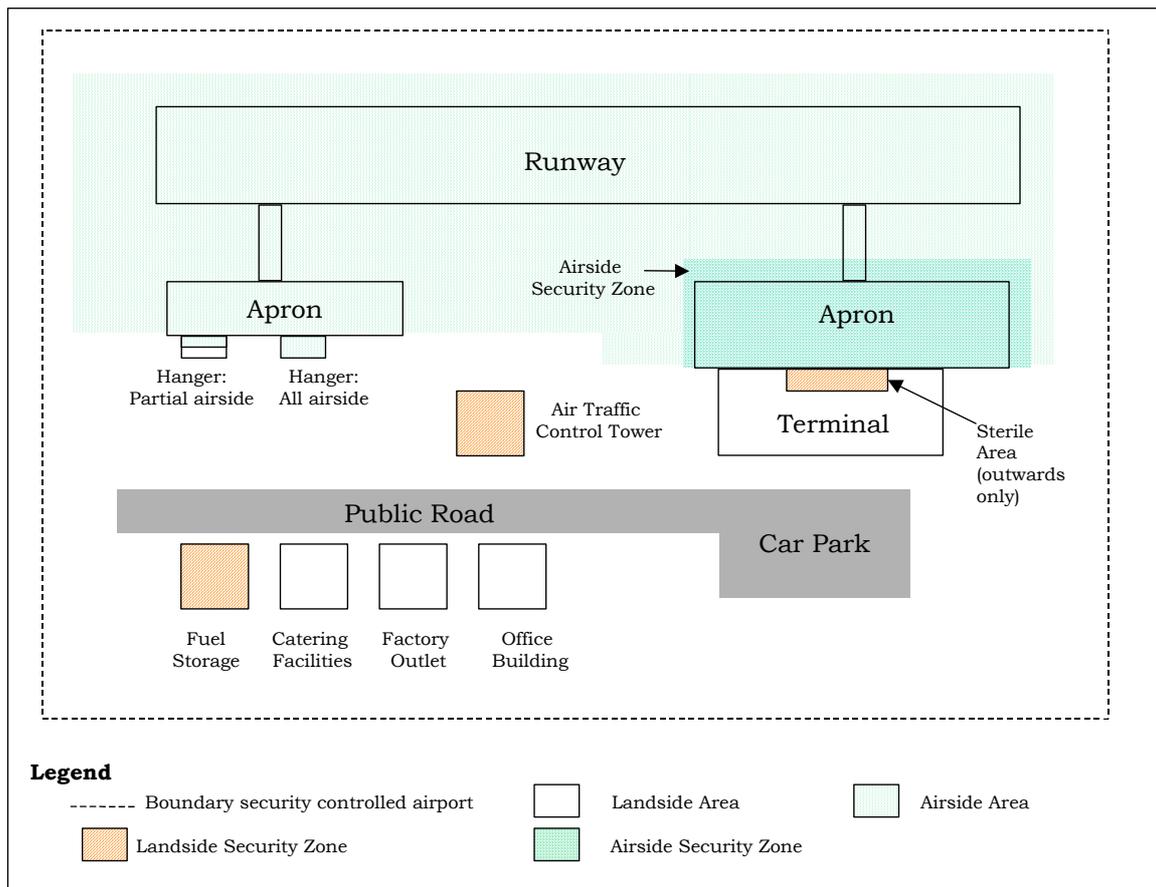
3.2.8 *Areas and zones of a security controlled airport*
Each security controlled airport must have an airside area and will usually also have a landside area. The critical aviation operations are generally included in the airside area, where security is more tightly regulated. These areas may also include zones of higher security. These zones may be established for a

range of reasons, including the control of people movements, prevention of interference with aircraft and restriction of access to critical facilities.

3.2.9 Airside areas and security zone

An airside area must be established to control access to operational areas. Security in airside areas must be tightly regulated. An airside security zone, known as the security restricted area, may also be established within the airside area. This zone has stricter controls than apply to the remainder of the airside area and access to it is also more limited.

3.2.10 Landside areas and security zones

The landside area is the part of the airport that is not the airside area. Within this area, landside security zones may be established. These zones have stricter controls than those that apply to the remainder of the landside area. All airports handling jet services and some other airports will be required to establish a sterile area, usually in the terminal building. Everyone entering the sterile area must be screened unless they are exempt from screening. Passengers on screened air services are required to board their flights directly from the sterile area, to make sure that no weapons or prohibited items are carried onto the flight.

3.2.11 Customs Airport Presence

Customs has a permanent presence at the eight major international airports and an ad hoc attendance at a number of other airports on an as required basis. The following table lists designated international airports under Section 15 of the *Customs Act 1901*.

Table 1: Customs Designated Airports

Airport	Major	Restricted Use	Alternate	Non-scheduled	External Territory
Adelaide	✓				
Brisbane	✓				
Cairns	✓				
Darwin	✓				
Melbourne	✓				
Perth	✓				
Sydney	✓				
Avalon		✓			
Broome		✓			
Canberra		✓	✓		
Coffs Harbour		✓	✓		
Coolangatta	✓		✓		
Hobart		✓			
Learmonth		✓	✓		
Lord Howe Is		✓			
Newcastle		✓			

Airport	Major	Restricted Use	Alternate	Non-scheduled	External Territory
Port Hedland		✓	✓		
Townsville		✓	✓		
Alice Springs			✓		
Dubbo			✓		
Kalgoorlie			✓		
Launceston			✓		
Rockhampton			✓		
Tindal			✓		
Horn Island				✓	
Norfolk Island					✓
Christmas Is					✓
Cocos (Keeling) Is					✓

3.2.12 *Major International Airport* - means an airport of entry and departure for international air traffic where all formalities incidental to Customs, Immigration and Quarantine (CIQ) are carried out, viz: Adelaide, Brisbane, Cairns, Coolangatta, Darwin, Melbourne, Sydney and Perth.

3.2.13 *Restricted Use International Airport* - means an airport of entry and departure at which the formalities incidental to Customs, Immigration, Health, and similar procedures are made available on a restricted basis, to flights with prior approval only viz: Avalon, Broome, Canberra, Coffs Harbour, Hobart, Learmonth, Lord Howe Island, Port Hedland and Townsville.

Note that while Avalon Airport is appointed under s.15 of the Customs Act, its appointment is conditioned, i.e. for import/export of manifested cargo, arrival/ departure of aircraft for maintenance or pilot training and no passengers.

3.2.14 *Alternate Airport* - means an airport specified in the flight plan to which a flight may proceed when it becomes inadvisable to land at the airport of intended landing. These airports might be proclaimed under s.15 of the Customs Act or require a s.58 approval for a one-off landing.

Some airports are designated as both Restricted Use International and Alternate by the Department of Transport & Regional Services.

3.2.15 *Alternate airports are:* Coolangatta, Canberra, Learmonth, Port Hedland, Townsville, Alice Springs, Avalon, Dubbo, Kalgoorlie, Launceston and Rockhampton.

Essendon Airport is appointed without restrictions under s.15 of the Customs Act but it is not appointed by the Department of

Transport and Regional Services.   The operator of the aircraft must therefore apply to the Department of Transport and Regional Service to have it designated as an international airport for the day of arrival/departure of international flights.

3.2.16 *International Non-Scheduled Flight Airport* - means an airport at which approval may be granted provided the prescribed prior notice is given for international non-scheduled flights only. No other form of international operation is permitted.

Horn Island is currently the only airport in this category. Customs, Health and Immigration clearances are available with prior notice only.

3.2.17 *External Territory Airport*- means an airport of entry or departure for international air traffic located upon an Australian External Territory.

Australian external territory international airport are as follows:
- Norfolk Island
- Christmas Island
- Cocos (Keeling) Island

3.2.18 Customs Staff at Airports
Customs has 1225 full time equivalent officers (as at March 2005) employed at the major international airports involved in passenger processing and border enforcement related functions. Recruitment activity is underway in most regions to increase airport staffing because of significant growth in international passenger numbers. A further 151 full time equivalent officers are involved in air cargo assurance activities.

Table 2: Full Time Equivalent Staff by Function and Airport

	Sydney	Melbourne	Brisbane	Perth	Cairns	Coolangatta	Adelaide	Darwin
Passengers	513	239	188	131	78	9	32	35
Air Cargo	57	34	28	21	-	-	4	7

3.2.19 Customs is currently running a trial training program for new Customs primary line employees. The trial is aimed at assisting Customs deal with peak periods at airports and will involve staff employed on an intermittent basis to perform the outwards passenger processing function.   These officers will be fully trained for the functions they perform and are security-cleared to the same level as other Customs officers.

3.2.20 Customs Activity at Airports
The international airport environment is a complex operational environment with large volumes of people, goods and aircraft arriving and departing within short periods of time and large numbers of airport staff to support this activity.

During 2003/2004 Customs processed:
- 63,718 arriving aircraft;
- 63,645 departing aircraft;
- 9,310,555 arriving air passengers, of which 96.7 per cent were immigration processed within 30 minutes of arrival;
- 9,287,822 departing passengers; and
- 5,023,272 imported air cargo air waybills, of which 70% or 3.5 million were either x-rayed or physically examined.

(Regional breakdown of statistics is at Attachment A)

Of the 9.3 million incoming passengers, Customs conducted:
- 800,000 passenger assessments (arrival questioning);
- 146,053 baggage examinations;
- 64,110 Customs initiated immigration referrals;
- 100,949 system generated immigration referrals;
- 3,682 health referrals;
- 4,645 personal searches;
- 4000 aircraft searches (full and partial); and
- 569 immigration turnarounds.

3.3 Customs Legislative Powers

3.3.1 The *Customs Act 1901* provides a range of significant powers to enable Customs officers to exercise control over the movement of people, goods and aircraft at the border, including the power to:

- examine all goods subject to Customs control;
- patrol airports;
- board and search aircraft;
- stop conveyances in an airport for the purpose of verifying the goods onboard the conveyance;
- question people about goods carried, and about reasons for being certain places within the airport;
- conduct personal searches for goods prohibited or restricted by any law of the Commonwealth;
- detain people subject to bail conditions that they not depart Australia, who have outstanding Commonwealth arrest warrants, or who a Customs officer suspects has committed a serious Commonwealth offence; and
- arrest persons who have committed certain offences against the Customs Act.

3.3.2 Customs is able to exercise these powers at all airports designated under s15 of the Customs Act (see Table 1). Officers have authority within the boundaries of the airport as gazetted. The powers exercisable by officers within a designated airport are

not restricted to the international terminal buildings, but apply equally to other buildings falling within the bounds of the designated airport, including aircraft maintenance hangers, airline and airport shops and offices and domestic terminal buildings.

These powers are consistent with Customs border security responsibilities and its status as a law enforcement agency.

3.3.3 Customs officers also exercise powers under a range of other Commonwealth Acts at the border. These include:

- Migration Act
- Quarantine Act
- Wildlife and Biodiversity Act
- Financial Transaction Reports Act
- GST Act

3.4   Customs Passenger Enforcement Operations

3.4.1 Customs uses a nationally endorsed and practiced Planning Model for managing the resource deployment of enforcement capabilities. This model provides a continuous assessment and review process, which enhances Customs passenger enforcement ability to prioritise resource deployment towards areas of greatest risk, thereby ensuring:

- higher quality operational activity;
- improved resource deployment;
- risks are dealt with on a priority basis; and
- providing greater structure to enforcement activities.

3.4.2 The application of the planning model results in a daily work plan targeting flights, passengers and operational areas assessed as posing the greatest risk.

3.4.3 Intelligence is the key driver of the Customs passenger enforcement approach with activities focused on its collection and use. Fully exploiting all available information and intelligence in identifying passengers, crew and airport employees of interest increases the number of quality assessments undertaken by Customs passenger enforcement officers.

3.4.4 Customs passenger enforcement operations are well supported by out-posted information officers and intelligence analysts. This arrangement provides a partnership approach to risk assessment, and target and profile development.

3.4.5 Customs passenger enforcement operations are focused on detecting key threats to the border, including narcotics, weapons, issues relating to terrorism and child abuse material. These threats, which are posed by only a small percentage of travelers, are most effectively countered by the targeted, intelligence driven approach used by Customs, not by uninformed mass screening or by random searches.

3.5 Customs Risk Assessment Processes

3.5.1 Customs risk assessment activity is focused on identifying travellers and goods that may pose a risk to the Australian border prior to their arrival or departure. Customs conducts significant intelligence based profiling activity to identify people and goods with higher risk characteristics for a range of different threats, including, but not limited to, terrorism, drug trafficking, firearms and weapons trafficking, and people smuggling and trafficking. Customs profiling experience and capabilities are central to its border enforcement capabilities.

3.5.2 For passengers, pre-arrival and pre-departure screening is conducted using airline reservation and departure control systems, as well as pre-arrival screening using advanced passenger information. Customs has developed a number of systems to facilitate the analysis and profiling of passengers. Goods, including in-transit air cargo, are also profiled for the same type of threats prior to arrival or departure using Customs cargo systems.

3.5.3 The people or goods that are identified prior to arrival or departure may be assessed against Customs and/or external agencies intelligence data holdings. Persons or goods who, following this evaluation activity, continue to be rated as a higher risk will be referred for physical assessment by a Customs officer.

3.5.4 Within the airport environment Customs officers undertake a variety of assessment and examination related training, including:

- Risk assessment methods
- Intelligence principles
- Travel document indicators
- Diversity and cross cultural communication
- Non-verbal communication analysis
- Questioning techniques
- Baggage examination
- Electronic examination

- Detection technology including x-ray, Ion-trak particle trace detection
- Interview techniques
- Personal search

3.5.5 The purpose of this training is to ensure that officers have the ability to effectively risk assess travellers using behavioural, linguistic and documentary assessment techniques and to conduct thorough and professional examinations of goods and people.

3.6 Customs Air Border Security Function

3.6.1 Customs has conducted operations in the airside areas of airports for many years. The purpose of the Air Border Security function is to enforce Customs border requirements in the airside area through a high visibility presence, targeted operational activity and industry education. The function was previously known as Tarmac Operations but this was changed in October 2002 to more correctly describe the function, much of which actually takes place within the international terminal building rather than on the tarmac.

3.6.2 The objective of the Air Border Security Function is to deter and detect threats to the border that may be posed by airport employees or people seeking to avoid scrutiny by Customs in the passenger hall.

3.6.3 Air Border Security operational activities include:

- Boarding and searching aircraft;
- Conducting baggage control exercises to ensure baggage reaches designated points without interference;
- Targeted search of "high risk" aircraft with Drug Detector Dogs;
- Patrol of tarmac and basement areas airside both by foot and vehicle;
- Patrol of outwards transit areas;
- Patrol of inwards aerobridge areas;
- Conducting operational research;
- Attending meetings with other government agencies and airport corporations to discuss security related issues;
- As the first point of contact for unauthorised entry into Customs Controlled areas;
- Conduct surveillance; and
- Frontline presentations to airport staff.

3.6.4 Officers performing Air Border Security functions undergo specialist training. Customs operates an aircraft search training program based out of Sydney. The course covers the following areas:

- Aircraft design, construction and fit-out;
- Aircraft identification;
- Airside environment awareness, hazards and OHS;
- Appreciation of aircraft modules and serviceable parts;
- Crime scene management;
- Intelligence gathering;
- Legislation and guidelines;
- Methods of concealment;
- Operational agreements with industry;
- Post flight maintenance and servicing;
- Search techniques, procedures and documentation;
- Stakeholders' roles and responsibilities; and
- Tools, equipment and technology.

3.6.5 The types of offences that officers conducting Air Border Security functions may encounter include:

- Drug trafficking of various levels of significance
- Prohibited import/export offences
- Unauthorised movement of Customs controlled goods
- Revenue goods smuggling
- Customs controlled area breaches
- Aviation Security Identification Card breaches
- People smuggling
- Money laundering
- Petty theft

3.6.6 Customs responds to the detection of an offence relating to criminality in accordance with the seriousness of the offence and standing operational procedures. Not all of the above are Customs offences (eg. petty theft, Aviation Security Identification Card breaches), so when officers encounter these offences they call in the Australian Federal Police or State/Territory Police.

3.6.7 Since 2003 Customs has been deploying officers for Air Border Security functions on a flexible risk-assessed basis as part of the airport daily operational plan. The number of officers deployed on any particular day at an airport will vary according to whole of airport operational requirements and current risk assessment.

3.6.8 Since January 2005 ABS teams have conducted in excess of 4,000 aircraft searches (full and partial searches), hundreds of person identity checks, regular basement patrols, more than 25 full flight containment exercises and numerous vehicle checks.

3.7   Technology

3.7.1 The Government has invested significantly in Customs examination technology in both the passenger and cargo environments. Customs border protection capabilities are multi-purpose and give it the capability to detect a range of prohibited import and export offences including those potentially related to terrorism. Customs continually monitors developments in technology through links with suppliers, research and development agencies and academic experts.

3.7.2   Closed Circuit Television at Airports
Customs operates about 1000 closed-circuit television (CCTV) cameras at international airports. The main purpose of the CCTV network is to support operational activity and for evidentiary purposes. Although the network is not designed or operated for security monitoring it does provide a useful adjunct to the airport security CCTV system as well as providing a significant deterrent.

3.7.2 Customs CCTV network is currently being upgraded to enable recording in digital format. The vast majority of Customs cameras are located within the passenger processing areas of the airport, with a limited number in baggage and airside areas and the airport terminal.

Table 3: Airport CCTV Deployment by Region and Camera Type

Airports Camera Numbers	TOTAL	Cairns	Brisbane	Coolangatta	Sydney	Melbourne	Adelaide	Perth	Darwin
Total Airport Cameras	**994**	**106**	**183**	**45**	**304**	**138**	**60**	**99**	**59**
Total PTZ	504	60	94	25	152	76	24	47	26
Total Fixed	490	46	89	20	152	62	36	52	33
Including shared fixed cameras with airport owner	25	17	0	0	5	3	0	0	0

- Camera numbers are 994 of which 504 are PTZ camera services (pan tilt zoom user manoeuvrable) and 490 are fixed view cameras
- Customs has access to 25 airport owned cameras at three airports: Cairns (17); Sydney (5); and Melbourne (3)

3.7.3 The Customs airport CCTV services are for operational video surveillance purposes to assist Customs to carry out its border control responsibilities at the airport. Operationally, Customs uses the CCTV system at airports to support the work of other agencies involved in border security and law enforcement.

3.7.4 Customs control room staff are able to monitor CCTV footage in real time and refer matters to the appropriate authorities as required. Information collected is primarily used for enforcement operational and evidentiary purposes rather than security monitoring.

3.7.5 The Customs camera surveillance services require flexibility of control, wide area coverage, quality presentation of the picture display, detail in day/night circumstances, and most importantly the ability for real time display at the monitor. Australian airports consist of several levels and generally cover large acreage therefore the CCTV infrastructure requires a large number of camera locations. The specific area of operational coverage at any given time can be quite dynamic.

3.7.8 An operational scenario may require simultaneous CCTV coverage through many of the following areas:

- inwards level aerobridges
- inwards primary line
- inwards baggage hall
- baggage search benches
- outwards primary line
- outwards security check point
- outwards level aerobridges
- basement baggage make up areas
- tarmac areas both at the apron and underneath the terminal

3.7.9 *X-ray*
Customs existing X-ray equipment can detect drugs, weapons such as knives and firearms, and a range of other identifiable prohibited imports and exports in cargo, postal items or passenger baggage. Customs X-ray equipment can also be used to detect nuclear and radioactive weapons. Because of their high densities, plutonium and uranium, and any shielding around the source, stand out in X-ray images.

3.7.10 Customs currently has a total of 85 X-ray units. This range of equipment is of diverse specifications in order to meet a range of needs at the major seaports, airports, cargo terminals and mail centers. The fleet includes 18 mobile X-ray units and five large pallet X-ray systems (one each at the Sydney, Melbourne, Brisbane, Fremantle and Adelaide Container Examination Facilities (CEFs)). Customs also has four container X-ray systems that were commissioned in Melbourne (November 2002), Sydney (March 2003), Brisbane (May 2003) and Fremantle (November 2003).

3.7.11 X-rays deployed at airports in the air cargo and passenger environment are deployed for the screening of incoming cargo and passengers goods. X-rays will only be deployed for outwards screening in relation to specific operations. Smaller airports, due to passenger numbers and physical infrastructure constraints

will share x-ray equipment with the Australian Quarantine and Inspection Service.

Table 4: Regional Deployment of X-rays at Airports

	NSW	Vic	Qld	SA	WA	NT
Passengers	4	2	3	-	5	1
Air Cargo	12	4	8	2	3	2

3.7.12 *Particle Trace Detection*
Customs has 52 ion mobility spectrometers (IMS) or "Ionscans", deployed around Australia. These are currently calibrated for use against drugs. The Ionscan can also be used to detect traces of explosives, however, to perform this function the Ionscan must be re-set to explosive mode and recalibrated accordingly. This process takes about one hour. An additional 39 of the IMS units that are capable of simultaneously detecting drugs and explosives have been purchased and are being commissioned across Customs operational areas.

3.7.13 *Radiation Detection Equipment*
Customs has taken delivery of 35 high sensitivity radiation detectors. Commonly referred to as radiation pagers, they are deployed in airports, mail-handling centres, and sea and air cargo examination facilities. The pagers provide Customs with the ability to detect and locate radioactive explosive devices, including low technology devices like "dirty bombs" and other illegal radioactive freight. Customs has purchased an additional 84 pagers and is currently awaiting delivery.

3.7.14 In addition to the pagers, Customs has purchased six radiation source identifiers to enable officers to determine the nature of any radiation source detected. Customs has purchased an additional 25 identifiers and are currently awaiting delivery.

3.7.15 *Air Cargo Neutron Scanner*
Over the past few years, there have been ongoing international discussions about how the security of air cargo can be enhanced. The neutron scanner project commenced when Customs assessed that there were no commercially available technologies that would allow rapid screening of consolidated air cargo to improve the efficiency of Customs intervention.

3.7.16 Customs approached the Commonwealth Scientific and Industrial Research Organisation (CSIRO) to develop an innovative and cost-effective solution to the problem. In response, CSIRO developed a neutron scanning technique. Tests with a laboratory prototype of the neutron scanner demonstrated that the neutron imaging technology is capable of screening containerised air cargo and provides information on

the size, shape, density and composition of the items being scanned.

3.7.17 Based on the outcome of the laboratory testing, the Government allocated $8.4 million over two years for Customs to conduct a field trial of a commercial size prototype of the neutron scanner. The neutron scanning technology is expected to deliver rapid screening of Unit Load Devices (ULDs) for explosives, drugs and other risks concealed in air cargo. Scanning a standard ULD is expected to take about two minutes once the unit has been loaded onto the scanner's transport system and delivered to the scanner.

3.7.18 Brisbane Airport was chosen for the trial because it is a medium-sized airport with a growing air cargo industry. Brisbane Airport provides the opportunity for rigorous testing of the technology, less implementation issues than a bigger airport and the ability to extrapolate the findings to both larger and smaller airports.

3.7.19 In 2004/05, a purpose-built facility has been constructed at Brisbane Airport. The facility which has both airside and landside access will accommodate the commercial prototype of the neutron scanner. The construction of the neutron scanner by CSIRO is well advanced. The scanner will be commissioned in September 2005 and be used to inspect containerised air cargo during an 18-month field trial, which will test the technology's effectiveness in a real-time operational environment.

3.7.20 The trial will also assess government and industry systems and processes that can be implemented to accommodate a more secure air cargo regime. Customs and the Department of Transport and Regional Services (DOTARS) are working together to assess how the technology can best be integrated with aviation security measures.

3.7.21 An Industry Consultative Group has been established to provide Customs, DOTARS and industry with a contact point for the broader air cargo industry. The consultative group will also assist Customs in making decisions to solve a number of industry issues associated with the facility operations.

3.7.22 There is substantial international interest in the field trial given the absence of other suitable and affordable commercial screening technology for containerised air cargo. The evaluation of the technology during the field trial will enable the Government to make decisions about the suitability of the neutron scanner for screening air cargo. The evaluation will also form the basis of any future decisions by Government on

the deployment of this type of technology at other Australian airports.

3.7.23 *Detector Dogs*
Customs operates a range of detector dogs:

- 32 Narcotic Detector Dog Teams (NDD's). All these teams have a multi purpose response, which means they can search inanimate objects (freight, luggage, aircraft) and people (body packs & hand luggage). NDD's are trained to detect cocaine, ecstasy, ice and heroin. Two teams have an added cannabis capability.
- 4 Firearms, Explosives Detection Dog Teams (FEDD's). All these teams also have the capability to search inanimate objects and people.
- 2 Chemical Weapon Precursor Detection Dog Teams (CDD's). This is currently in trial phase.

3.7.24 Deployment capabilities in the airport environment include:

- Broad screening of passengers disembarking aircraft (body concealments and hand luggage).
- Broad screening of hold luggage (either on conveyor belts in basement areas or on carousels in baggage reclaim area).
- Unclaimed baggage.
- Airport toilets and holding rooms.
- Internal aircraft searches and light aircraft searches.
- Broad screening of airfreight.
- Broad screening of airport workers exiting airside through airport gates.

3.7.25 *New Technologies*
Customs is currently evaluating several technologies capable of detecting explosives, chemical or biological warfare agents. These include portable and mobile gas chromatograph-mass spectrometric (GC-MS) systems, antibody reaction based equipment and Raman spectrometers.

3.7.26 The Ion Mobility Spectrometer (IMS) equipment for chemical agent detection is undergoing testing and programming. It is anticipated that some of this equipment will be deployed in 2005.

3.7.27 An antibody-based explosive and drug detection desktop system has been trialled. Recommendations for design modifications have been made to the manufacturer to render the instrument more applicable to Customs operations.

3.7.28 A Raman spectrometer has been trialled and programmed for identifying chemical substances at all cargo, mail and passenger baggage examination points. Four Raman spectrometers will be purchased during 2005.

Customs Relationship with DOTARS

3.8.1 Customs works closely with DOTARS at both the policy and operational levels:

- The standing quarterly meeting between the heads of Customs, Immigration and Quarantine was expanded in 2004 to include the Secretary of the Department of Transport and Regional Services. This group discusses areas of common interest relating to border and aviation security.
- A Customs senior executive is a member of DOTARS High Level Reference Group on Aviation Security. This is a joint government and airport and airline industry forum.
- Customs is a member of the Australian Government Transport Security Policy Committee (AGTSPC).
- Customs airport Directors are members of the Australian Government Agencies Airport Committees (AGAAC).
- Customs is a member of the Aviation Security Identification Card (ASIC) Working group. Customs is an ASIC issuing body for a number of Australian Government agencies.

3.8.2 At an operational level, Customs and DOTARS meet to discuss operational capabilities, in particular between the Office of Transport Security's Operations Centre and Customs Passenger Analysis Unit.

3.8.3 Customs also works closely on a continuous basis with DOTARS on issues of mutual interest at all major international airports.

3.8.4 Operationally Customs would normally report any breach of aviation security to either the Australian Federal Police or to the local representative of the Office of Transport Security or both. It is common at airports that a range of agencies become aware of an incident at about the same time, but under the reporting requirements of the Aviation Transport Security Act the formal responsibility for reporting the incident to DOTARS would normally rest with the AFP.

3.8.5 Incidents may also be discussed by the local Australian Government Agency Airport Committee, especially where they raise wider issues or highlight vulnerabilities that need to be addressed.

3.8.6 Customs has not reported any matters to the Inspector General of Transport Security.

3.9 Transport Security Committees

3.9.1 To improve the coordination of security activities by Australian Government agencies at airports, the Australian Government Transport Security Policy Committee (AGTSPC) and the operational Australian Government Agencies Airport Committees (AGAAC) at the each major airport were established in early 2004.

3.9.2 These committees were established to provide a formal coordination mechanism for Commonwealth agency interests at airports to provide high level joint agency policy body to address transport security issues.

3.9.3 The AGTSPC first met in February 2004 involving representatives from DOTARS (Chair) PM&C, ASIO, DFAT, DIMIA, Customs, AFP, PSCC, Defence and AQIS. AGAAC meetings are held at all major airports with representation of Australian Government agencies involved in aviation security.

3.9.4 These Committees have assisted in providing a more coordinated Australian Government approach in dealing with other airport stakeholders on security matters.

3.9.5 The Department of Transport and Regional Services, as the chair of both the AGTSPC and the airport AGAACs, is to provide specific details about the activities of the committees in their submission to the Joint Committee of Public Accounts and Audit.

3.9.6 Customs is also represented on the airport corporation's Airport Security Committee at all airports at which it has representation.

4. CUSTOMS INTELLIGENCE APPROACH AND OPERATIONAL OUTCOMES

4.1 Intelligence Approach

4.1.1 Customs Intelligence Approach
Customs is an intelligence-driven organisation that uses intelligence to support the achievement of corporate objectives. Intelligence is fundamental to law enforcement, particularly in Customs, where it must be reconciled with the facilitation of trade and travel.

4.1.2 Intelligence supports Customs regulatory philosophy, which emphasises minimal disruption to legitimate trade and travel through best practice regulation and targeted enforcement activities. Decision-making and planning, from policy to tactics, require judgements made on the best available intelligence. Intelligence also supports risk-management strategies.

4.1.3 Customs intelligence is produced from the collection, evaluation, collation, analysis and interpretation of information. All Customs officers are expected to collect information as part of their duties, noting unusual observations and anomalies.

4.1.4 The purpose of intelligence is to increase Customs decision-maker's knowledge and understanding about the operating environment. Customs has three levels of intelligence activity – strategic, operational and tactical.

4.1.5 At a strategic level, Customs policy makers need intelligence about new and changing threats or opportunities to help them make decisions about the strategic positioning of Customs. This is strategic intelligence, which is defined within Customs as an intelligence product that provides insight or understanding, contributing to decisions on broad strategies, policies and resources, directed to achieving long-term organisational objectives. In Customs, strategic intelligence is produced primarily within the Assessments and Analysis section of Risk Identification and Intelligence Branch of Central Office.

4.1.6 At an operational level, Customs managers require intelligence about new or changing patterns of activity to support decisions about focusing line area resources in the most effective way. Customs describes this as operational intelligence, which is used to support national and regional managers in planning activity and deploying resources to achieve operational objectives.

4.1.7 Risk Identification and Intelligence sections in Customs regional offices have the main responsibility and resources for operational

intelligence. This encompasses the development of profiles for cargo and passengers and research on entities of interest to Customs. Customs Central Office Assessments and Analysis, Profiling and Alerts and the Intelligence Research Unit also produce operational intelligence in the form of analysis of the Customs criminal environment, development of national cargo profiles and timely information relating to possible threats to the border.

4.1.8 At a tactical level, Customs officers in line areas in the regions and operational areas in Central Office need intelligence about the activities, capabilities and intentions of specific non-compliant individuals and businesses. This is tactical intelligence, which is defined by Customs as an intelligence product that supports line areas and other operational areas in taking case-specific action to achieve compliance or enforcement objectives.

4.1.9 The distinction between different types of intelligence is less obvious in practice than in theory, with tactical and operational issues in particular often shading into each other.

4.2 Operational Outcomes

*Table 6: National Monthly Finds by Type (Major & Minor) 2003/2004*

Period	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Currency													
Major	21	10	19	12	5	12	11	22	8	13	7	8	**148**
Minor	86	76	69	71	40	67	30	34	26	17	21	24	**561**
Prohibited Goods													
Major	18	11	24	15	12	16	11	7	13	10	10	9	**156**
Minor	488	463	468	561	281	303	246	257	277	280	173	308	**4,105**
Revenue													
Major	0	1	2	3	0	1	4	7	7	8	3	5	**41**
Minor	335	322	260	197	221	163	170	167	222	208	111	208	**2,584**
Wildlife													
Major	0	0	1	0	0	0	0	0	0	1	0	0	**2**
Minor	67	72	90	102	84	72	14	24	30	32	14	29	**630**
Quarantine *(not included in graph below)*													
Major	6	11	9	6	3	4	0	0	0	0	0	0	**39**
Minor & QIN's	1,467	1,351	1,250	1,457	1,093	1,320	644	641	791	695	652	612	**11,973**
Total Finds	2,488	2,317	2,192	2,424	1,739	1,958	1,130	1,159	1,374	1,264	991	1,203	**20,239**

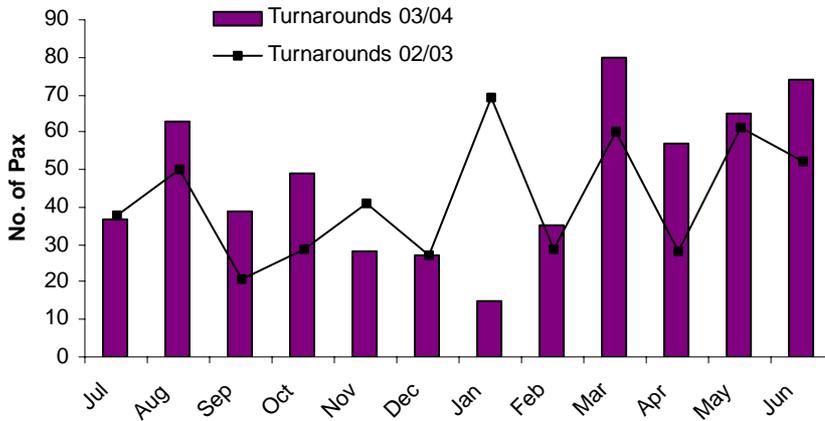- Major Find – Prosecution action
- Minor Find – Undeclared item detected, no prosecution

Table 7: National Monthly Finds 2003/2004
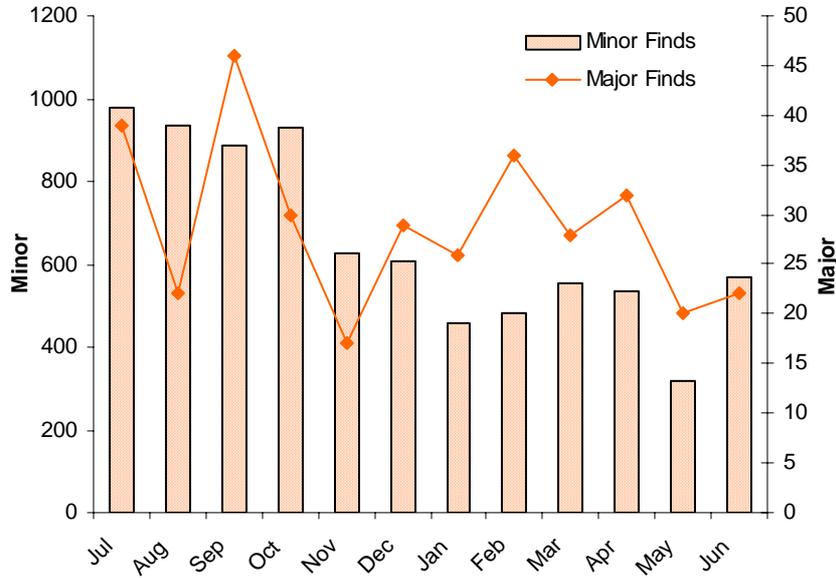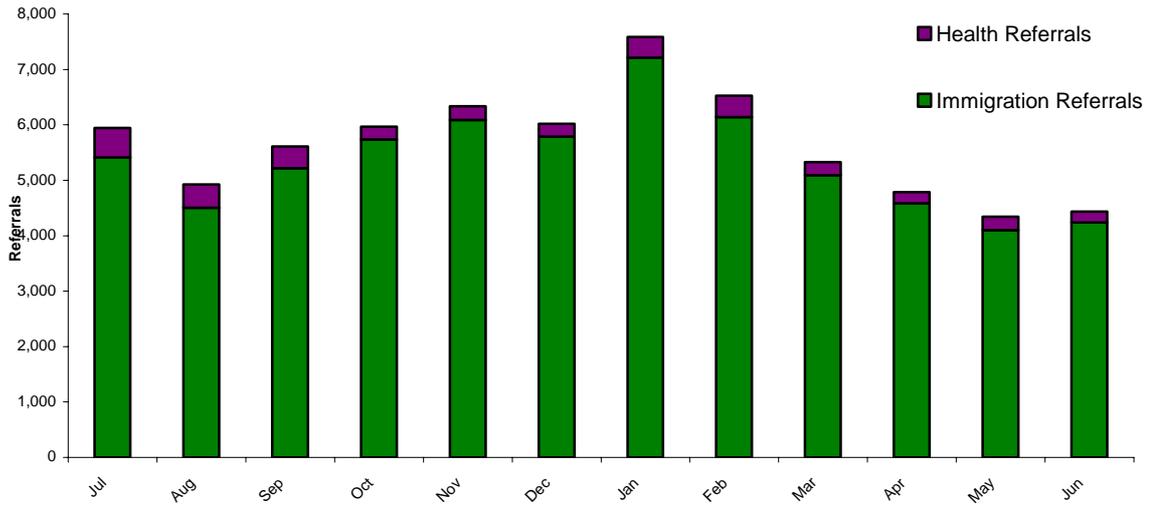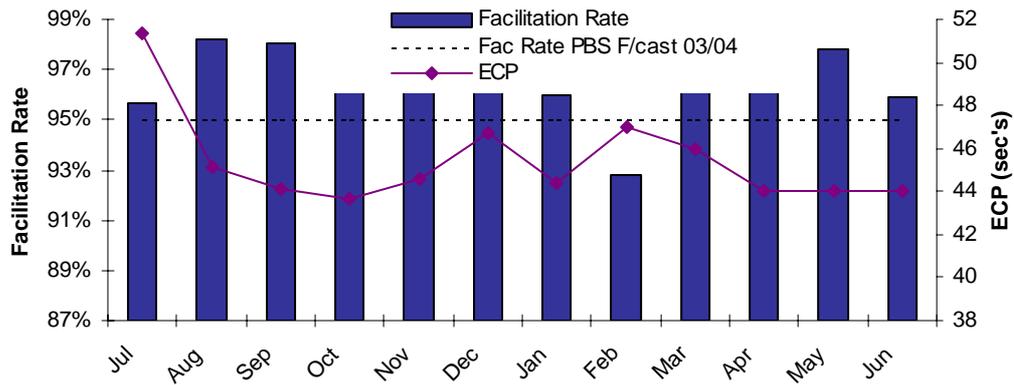

Table 8: National Monthly Immigration Turnarounds 2003/2004

Table 9: National Monthly Referrals 2003/2004

Table 10: National Monthly Facilitation Rates and Entry Control Point (ECP) Clearance Rates* for Incoming Passengers 2003/2004

* The ECP clearance rate is the time taken, in seconds, to immigration clear an arriving passenger

4.3   Customs Controlled Area Breaches

4.3.1   Since 1 July 2004 Customs has detected approximately 90 breaches of Customs controlled areas (s.234AA of the Customs Act) at major international airports.

4.3.2   A Customs controlled area is generally a place used by a Customs officers to question passengers disembarking from or embarking on a ship or aircraft, and where a sign is displayed that states that entry into it by unauthorised persons is prohibited.

4.3.3   The nature of breaches varies from deliberate acts involving commission of other offences by airport employees, entry by airport staff into the area for personal reasons, to access by members of the public through the arrivals and departure entry/exit points. The following examples provide a cross section of the types of breaches:

- airport employees entering the area to illegally purchase duty free alcohol and cigarettes;
- airport employees meeting and greeting arriving and departing family members and friends;
- airport employees providing access to unauthorised people - airline crew;
- non-travellers escorting family members who are travelling; and
- Inbound passengers who have been Customs cleared re-entering the customs controlled area.

4.3.4   In certain circumstances, Customs controlled area airport breaches also involve a breach of the conditions of the airport employees Aviation Security Identification Card (ASIC). In conjunction with other agencies, a decision may be made at the time of the offence that the matter be referred and dealt with through the ASIC Issuing Authority. In such cases the person who had committed the breach would handed to the Australian Federal Police Protective Services to be dealt with under Aviation Transport Security legislation.

4.3.5   The following Court results were obtained in 2005 for Customs Controlled Area breaches:

- A woman, who worked in a retail outlet in the domestic airport, decided to enter a restricted international area because she wanted to order her lunch and check on stock levels in a shop in that area. She borrowed an ASIC belonging to the other woman and used it to gain unauthorised access. The Court imposed penalties totalling $2,000 and court costs of $1,400 on both women.

- In a separate incident on 4 November last year, another woman used her ASIC card to access a Customs controlled area to farewell some friends. The woman was also charged with unauthorised entry to a restricted area and received a $1,000 penalty and was ordered to pay $700 in court costs.

- A Qantas Domestic check in staff member was detected by Customs officers in the inwards concourse facilitating family members from a Thai Airways flight to the primary line, after her rostered shift in domestic check in. The magistrate found that a conviction was not warranted and she was placed on a Sec 19B (crimes Act) $1000 12 month Bond and ordered to pay $1500 fine to the court fund and $1000 in costs.

ATTACHMENTS

Attachment A: Customs Activity Statistics

International flight arrivals by airport

	Sydney	Melbourne	Brisbane	Cairns	Coolangatta	Perth	Adelaide	Darwin	Other
2001/02	23390	10660	8711	4109	351	4421	851	3660	1077
2002/03	23936	10504	8857	4471	873	4365	849	2944	1218
2003/04	26754	11813	9731	4681	1006	4754	931	2651	1393

International flight departures by airport

	Sydney	Melbourne	Brisbane	Cairns	Coolangatta	Perth	Adelaide	Darwin	Other
2001/02	23284	10901	8673	4368	360	4404	930	3713	947
2002/03	24102	10645	8778	4651	877	4360	823	2987	1182
2003/04	26591	12053	9599	4725	996	4747	927	2692	1315

International passenger arrivals by airport

	Sydney	Melbourne	Brisbane	Cairns	Coolangatta	Perth	Adelaide	Darwin	Other
2001/02	3976896	1716968	1340624	369874	35035	846126	122428	113181	18046
2002/03	3875089	1679266	1322967	381081	79857	839937	112990	78523	13109
2003/04	4233646	1895027	1548857	411056	88218	906091	134341	70079	23240

International passenger departures by airport

	Sydney	Melbourne	Brisbane	Cairns	Coolangatta	Perth	Adelaide	Darwin	Other
2001/02	4974080	1695663	1235858	363011	33679	807406	115506	109867	16074
2002/03	3959139	1600944	1235151	382426	79393	788809	102321	80034	12207
2003/04	4359020	1868513	1487633	395344	89050	869622	125959	71883	20798

Air waybills for imported air cargo by State/Territory

	NSW	Vic	Qld	WA	SA	Tas	NT
2001/02	2636458	992476	255018	185888	57947	1471	8071
2002/03	2802499	1093515	275365	210457	62917	1231	8674
2003/04	3126064	1275510	310313	234924	66092	1237	9132