



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

JOINT COMMITTEE ON THE AUSTRALIAN CRIME
COMMISSION

**Reference: Adequacy of aviation and maritime security measures to combat serious
and organised crime**

WEDNESDAY, 17 FEBRUARY 2010

MELBOURNE

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JOINT STATUTORY
COMMITTEE ON AUSTRALIAN CRIME COMMISSION
Wednesday, 17 February 2010

Members: Senator Hutchins (*Chair*), Senator Boyce (*Deputy Chair*), Senators Fielding, Parry and Polley and Mr Champion, Mr Gibbons, Mr Hayes, Ms Ley and Mr Wood

Members in attendance: Senators Fielding, Hutchins, Parry and Polley and Mr Hayes

Terms of reference for the inquiry:

To inquire into and report on:

The effectiveness of current administrative and law enforcement arrangements to protect Australia's borders from serious and organised criminal activity. In particular the committee will examine:

- (a) the methods used by serious and organised criminal groups to infiltrate Australia's airports and ports, and the extent of infiltration;
- (b) the range of criminal activity currently occurring at Australia's airports and ports, including but not limited to:
 - the importation of illicit drugs, firearms, and
 - prohibited items
 - tariff avoidance
 - people trafficking and people smuggling
 - money laundering
 - air cargo and maritime cargo theft
- (c) the effectiveness of the Aviation Security Identification Card (ASIC) and Maritime Security Identification Card (MSIC) schemes; including the process of issuing ASICs and MSICs, the monitoring of cards issued and the storage of, and sharing of, ASIC and MSIC information between appropriate law enforcement agencies;
- (d) the current administrative and law enforcement arrangements and information and intelligence sharing measures to manage the risk of serious and organised criminal activity at Australia's airports and ports; and
- (e) the findings of the Australian Crime Commission's special intelligence operations into Crime in the Transport Sector and Illegal Maritime Importation and Movement Methodologies.

WITNESSES

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Committee met at 9.44 am**McARDLE, Mr John Patrick, Chairman, Australian Airports Association**

Evidence was taken via teleconference—

CHAIR (Senator Hutchins)—I now welcome John McArdle from the Australian Airports Association via teleconference. I invite you to make an opening statement to the committee. At the conclusion of your remarks committee members will ask you questions.

Mr McArdle—Thank you. The Australian Airports Association is a representative body of some 260-odd airports throughout Australia. Our membership ranges from the largest in Sydney to some of the smallest in rural and regional Australia. We welcome the opportunity to address the committee on the issues surrounding organised crime particularly at airports and the measures that are taken to remedy the growth and/or the influence of organised crime.

CHAIR—Mr McArdle, when we ask questions we will introduce ourselves so you will know who we are. In general do you believe that security measures at Australian airports are effective in combating serious and organised crime? If not, what are your major concerns?

Mr McArdle—The airports within our membership are primarily involved in securing aircraft for the safety and security of the travelling public and for the products that are carried on those aircraft. We can see that organised crime may or may not exist to certain degrees at airports. We picture that as more of a policing matter rather than an airport security matter, which we are charged with carrying out.

CHAIR—You say that it is a policing matter and not an airport security matter. Are there aspects of airport security that you would wish to comment on? We have had one submission from a major organisation which suggests that retail outlets should not be allowed in the major airports in the customs type area at all, because those people have to be issued with ASICs. There is any number of them; they are retailers and not people working on the airport.

Mr McArdle—That is an interesting premise. All people who are in close contact with the travelling public and the aircraft undergo a background security check, which has its benefits and its drawbacks, but we will probably discuss that a bit later. The community that is travelling particularly in Australia expects certain ‘pleasures’ to detract them from the onerous task of waiting for aircraft or waiting for the processing that goes on. Retail is one of those measures that detract from the boredom of travel. I find it difficult to comprehend why anyone would say that retail is a threat within a terminal; be it in the Customs area or in the public area.

CHAIR—I am not saying they are saying it is a threat. The commentary was that if they were not there it would assist airport security.

Mr McArdle—I cannot comment on that. That is beyond my comprehension that one.

CHAIR—They just might not like the idea of it. In your view are there any differences in security concerns between regional airports such as in the north of Australia and the international airports?

Mr McArdle—It would depend on the risk assessments undertaken by the airport operator, the airlines and the authorities that have responsibility for that airport, and I guess it is all relative. I would presume the opportunity for organised crime—or terrorists for that matter—is much more likely in an area where they will get more bang for their buck than in a regional or rural port; however, having said that, the persons who travel from those rural ports into the major capital city ports could pose a threat and see that as the avenue of entry, so security at regional ports is essential, and we have no problem with that.

CHAIR—Do you think it is adequate in terms of state, territory and Commonwealth law enforcement agencies at the moment?

Mr McArdle—It is a bit outside my range of expertise, but I know in 2005 Sir John Wheeler, when he and his team did an assessment of aviation security in Australia, identified several shortcomings in jurisdictional controls and the sharing of information across jurisdictions within the various police forces of the states, territories and the Australian government. In my view a lot has been done by government since the Wheeler report was published to overcome those jurisdictional issues, but it may be worth—and I would make the suggestion—an audit of the Wheeler recommendations to see just how effective those measures to break down the communication barriers have been.

Senator PARRY—Mr McArdle, who is responsible for security checks for passengers at airports?

Mr McArdle—Passengers? No-one that I am aware of. The airline that takes the booking and issues the boarding pass and the ticket, I understand, at the security levels within those airlines have some form of known passengers and so forth. I have been told that there is some training in profiling done by the airline staff at the ticketing and processing areas. I do not believe the actual background security checking of passengers is any different than if you were catching a train or a bus.

Senator PARRY—Sorry, you have misunderstood—not the background checking; that is a further question I have about ASICs—who is responsible for passenger screening and security at airports?

Mr McArdle—That depends on who is deemed to be the screening authority. At some airports throughout Australia, it is the airport operator who has that responsibility; at others, the airline has that responsibility. For example, at Sydney—

Senator PARRY—How is that determined?

Mr McArdle—Through an arrangement with the Department of Infrastructure, Transport, Regional Development and Local Government and the Office of Transport Security within that department under the Aviation Transport Security Act there are measures to identify who will be the screening authority.

Senator PARRY—Who pays for it?

Mr McArdle—The passenger at the end of the day.

Senator PARRY—But who actually foots the bill before it is charged to the passenger—obviously, that is the bottom line.

Mr McArdle—If the airport operator is the screening authority, they hire a security firm and they pay for it.

Senator PARRY—So your members would be paying where it is deemed that they have the responsibility.

Mr McArdle—Correct.

Senator PARRY—Just moving on to the ASIC or the identification cards: are your 260-odd members responsible as employers for determining the suitability of applicants who work in the airports?

Mr McArdle—Like any employer, you go through a process of trying to get the right person for the right job but the actual background checking of that person who would be working in a high-risk area such as the airside or in the vicinity of aircraft rests with a government agency. Our members, as employers, are responsible for ensuring that the employee fills out an ASIC application. That application goes to AusCheck, who is a government agency, to undertake the background checking of that person at that time based on the information given by the employee.

Senator PARRY—Who pays for any external checking?

Mr McArdle—It varies. Most employers will pay for it themselves or they will encourage the employee to have a pre-interview background check completed, and the employee then pays for it. It is either the employee or the employer.

Senator PARRY—Have your members indicated that they feel that this system is adequate, inadequate or have any problems been identified?

Mr McArdle—Not in that process. There is a mixed response from our membership, as you would expect. Some of them would prefer to see not only a central background checking agency but a central issuing authority, whereas others would prefer to issue the cards themselves following the successful background check.

Senator PARRY—Is it a more predominant view of a central issuing and checking agency?

Mr McArdle—I would say that, of the membership, by numbers alone that would be the predominant view. However there are a couple of our major members, Sydney Airport for example, who would prefer to be the issuing authority for Sydney Airport.

Senator PARRY—Do you know the reason for that? Is it because they think they can turnaround the process quicker or is there any other reason?

Mr McArdle—I think the reason is they can have a better control of who is actually on their airfield and who is not. Whereas they feel if there is a central issuing authority anybody could get access to any airport. The problem there is that a lot of people cannot separate the ASIC from

a key. A lot of them see the ASIC as an access card as well as an identity card, whereas a lot of our other members clearly separate the ASIC as being evidence of having had a security background check and then they have a separate access system.

Senator PARRY—Of those members who pay for airport screening security and ASIC checks, do they have the predominant view—I do not know whether you can break this down—of having a central issuing agency?

Mr McArdle—Again it is split between those that would prefer a central agency and those that would not. All of them pay to have the security screening and then recover it somehow or other.

Senator PARRY—Do you have any view about whether or not the security identification of people who gain access to airside is a real issue and a real problem in airports throughout Australia?

Mr McArdle—Any system can be improved and I am pretty sure that most people would agree with that. With the system that we have at the moment, its flaw is that it is a check of a person at a given time. What happens after that point in time is really up to the honesty of the person to declare that they have had an incident, or that they have approached, or they are now in debt or whatever. Its weakness would be that it is at a given point in time, which is only rechecked each time they come up for renewal, which is anything from two to five years.

Senator FIELDING—In your submission you make a note about the Wheeler recommendations and say that it is disappointing, that nothing of significance has occurred in terms of the ASICs. Was there something specific that you were looking for?

Mr McArdle—At the time the predominant feeling was that there should be a significant review of the ASICs system. Whilst there is now a central background checking authority, there has not been a central issuing body. It comes back to the point I raised before, that throughout the industry—and the industry does meet with government on a regular basis through an Aviation Security Advisory Forum to discuss these issues—it is difficult to get a consensus at this time on the separation of an ASIC being purely a background check as against a right of access. To cite the example of a drivers licence: you get your drivers licence but that drivers licence does not start your car, your bus or your truck. You have to have a different key to start that. What the major number of our members feel is: let us have a central issuing body, a central background checking body, a central body that monitors these ASICs and any changes by linking into all the police jurisdictions throughout every state and territory so that should a person who has had a background check commit a misdemeanour, it is flagged on this network instantly, rather than being flagged two or three years later when the person renews their card. So there are a few things that we would like to see sorted out.

Senator FIELDING—One of the issues there is that the Victorian Police—and I have to be careful here—generally have a charter of rights, and, I suppose, why should someone's information be used against them? I understand what you are coming at there. I thought I would just check on that one personally. The other statement you have made, which is interesting, is about predominately airline employees, rather than airport employees who load and unload

aircraft and therefore have, I suppose, a direct opportunity with regard to the receipt or dispatch of unlawful substances. Could you walk me through what your thinking is on that?

Mr McArdle—In any airport environment the aircraft always remains the property of the airline operator, and the airline operator dictates who has access to or who is in the vicinity of the aircraft at any time. Airport employees are responsible for looking after the airport environment in which that aircraft operates, but airport employees have nothing to do with the processing of the aircraft on its arrival or departure. That is all left up to the airline employees.

Senator FIELDING—I know that, but is there a reason why you make that point?

Mr McArdle—I think what we were referring to there was that airport employees would be less susceptible to the big end of organised crime, the movement of products of interest by aircraft.

Mr HAYES—In relation to temporary construction work being done at airports, say around runways or on aprons et cetera, is there a general practice as to how people are admitted at airports and how they are supervised presently?

Mr McArdle—Yes there are. There are strict controls on the introduction of contract workers to the airside. They are required to be under escort and surveillance during the period of time they are out there. There is a process to identify who they are and to issue a visitor's card for the period that they are airside.

Mr HAYES—Is that a new arrangement? The reason I ask that is that I am aware of the practice at Sydney airport—for instance, cement truck drivers surrender their driving licences at the gate they enter and pick up their road licence from the security guard as they leave. Some argument was made that that at least establishes who is on the airport. I know that is going back a little distance now. Is that not the case any longer?

Mr McArdle—There would probably be a stronger check now. Yes, there has been a new airside access procedure introduced whereby any contractor going to the airside of an airfield goes through an airside security checking point. The vehicle is generally checked. The person going airside needs to be able to identify that they are that person and that they are going out there for a bona fide reason. So that part of the checking of vehicles and people going airside is reasonably new. It has been in now for about 12 to 18 months. But prior to that there was always a requirement for a person, if they were airside in a sensitive area, such as the aircraft apron, that they were escorted and under surveillance all of the time.

CHAIR—We understand there is something like 120,000, maybe 140,000 ASICs out there at the moment. Is that your understanding?

Mr McArdle—That would be a pretty accurate figure, yes.

CHAIR—I would not think there were that many people working in the airports of Australia. Is there?

Mr McArdle—It is difficult for me to assess. Most of our airports are 24-hour operations, so you have three shifts plus a reserve shift. It would not go far wrong, Senator. It would not be far off.

CHAIR—I cannot recall what Sydney—we have the figures in there somewhere. Sydney is 17,000, is it? It is 17,000 for the biggest airport so that means all of the other ones have to find the other 100-odd thousand. I am just saying that it seems a lot of cards that are issued. Why I was asking that is that you have made the point twice about people thinking that once you get the card, and we understand that there are three types of cards—there are two sorts of colours aren't there?

Mr McArdle—Yes.

CHAIR—There is grey and red or grey and green—

Mr McArdle—Yes, grey and red. Red is for airside access to aprons and grey is in the security restricted area of terminals. And there is also yellow, which is your visitor card.

CHAIR—Now that is where you said the—I will use my word—'confusion' is in the access to the airport. In estimates last week, one of the coalition senators, Senator Bill Heffernan, raised the issue about airport security at Sydney. He came in with a number of names of people from a private security company who had been subcontracted to take over security at—I am not sure what part of Sydney airport. Are the private security operators required to get ASICs?

Mr McArdle—All security firms, be they private or federal, are required to have this background check if they are working on an airport and there is a course they have to undertake. I think it is a certificate IV in security (aviation). But, yes, they are required to have a background security check.

CHAIR—Could part of your concern about access be that a number of the staff of these security companies might not be adequately trained to understand what level of access people are eligible for because they just may not know? That is a possibility I suppose.

Mr McArdle—From my experience, with the member airports that have at the bigger end of town, the tendering process that they undertake with the various security firms is pretty onerous and deep. One of the criteria is that these companies be able to prove that they have undertaken the appropriate checks and the appropriate training, and, indeed, the Office of Transport Security audits against that. So there are quite a few checks and balances, but, unfortunately, we are all human. There may be some areas that need tweaking, but right now I could not identify them.

CHAIR—The issuing authorities for people who work in that retail arm of airports, for example, if it was in Sydney, it would be Sydney Airports Corporation Ltd and it would go from whoever does it in Melbourne et cetera. Is that correct?

Mr McArdle—That is correct, yes.

CHAIR—To your knowledge, and you may wish to take this notice, do their cards give them access—because they have access past Customs and immigration, does that access the airside as well?

Mr McArdle—It varies from airport to airport. In some areas some retailers require access to the airside for the deliveries or the removal of waste. Only certain staff would have that privilege or that right, and they would have a different coloured card. For example, if they are going airside, it needs to be red. Again, all of those cards that are issued, all of those staff that are issued with them, are not only monitored by the airport operator, but also by the Office of Transport Security in their audits of the security systems.

Senator PARRY—Mr McArdle, can you clarify the card colour regime for me? Does red give you access to all of the grey areas? Or does grey give you access to all of the red areas? Or are they mutually exclusive?

Mr McArdle—The card itself should not give you access anywhere. I will just try to explain it so that I get it clear in my own head. The red ASIC would indicate that you have had a background check and the issuing authority deems that you have a bona fide reason to be able to go airside. Now that card may then be electronically massaged to enable you access to the airside. And that means then that if you have a red card then you can move through security restricted areas and escort visitors. As I understand it, a grey card gives you access to the security restricted area of a terminal—that is, the area after passenger screening—and a yellow card means that you are a visitor and must be in the company of a red-carded person.

Senator PARRY—Thank you.

CHAIR—As there are no further questions, I thank you very much, Mr McArdle, for appearing before us today. It has been much appreciated.

Mr McArdle—No worries, and thank you for your time.

[10.14 am]

EDWARDS, Ms Zoe, Research and Industrial Officer, Australian Services Union

McINERNEY, Mr Stephen, Member, Australian Services Union

WHITE, Ms Linda, Assistant National Secretary, Australian Services Union

CHAIR—I now welcome representatives from the Australian Services Union. I invite you to make an opening statement at the conclusion of which members of the committee will be invited to ask you questions.

Ms White—We are very pleased to supplement our written submission with some further information for you today. We have been able to bring Steve McInerney with us, who, as he said, works is a red ASIC holder, works at a cargo shed and has done so for some 17 years, so he can give frontline experiences to the committee. The ASU is the largest union of airline employees in Australia. We have a range of members who work in call centres, check-in, retail, maintenance, freight, catering and IT in both Qantas and international carriers. Many of our members are based at international and regional airports in Australian.

Our submission goes into a range of concerns that we have expressed over a long period of time about the security regime at Australian airports. We believe fundamentally that employees at airports, in our experience, love their jobs, take pride in their work and are extremely conscious of both passenger safety and security. That has been our overwhelming experience over a long period of time. We believe that our members, particularly in check-in and in cargo, are at the frontline. With proper training in border security and suspicious behaviour, they are at the frontline to detect that sort of behaviour and, if brought into the loop of what is going on in airports, they are a valuable source of information. We believe that clear communication channels between employers and employees at airports is critical for maintaining security at Australia's airports.

Over a period of time we have raised issues in relation to ASICs. We did a major survey in response to the government's green and white paper process, which highlighted a number of concerns of our members about ASICs—how long they take to process and the ability to obtain temporary cards, which did not require background checks. We also had for a long period of time significant concerns about the number of cards issued and the way in which that undermines the system. We also have firm views about the casualisation of the workforce and the staff turnover at airports, which we think contributes to security concerns. In summary, our view is that a happy, long-term, well-paid workforce is going to be a significant factor in how security is dealt with at airports. We certainly believe that and that has been our experience. High turnover and casualisation, adds further complexities to the workforce and also exposes security concerns.

We also believe that, in the development of electronic checking machines, any regime that just focuses on the employees at an airport but does not really focus at all on who is travelling or whether the person who got on the aircraft is the person they say they are should be a greater

concern than the trusted insider issues that are highlighted. We are not dismissing the trusted insider issues, but we see a significant failure at our airports to focus on the passengers.

Finally, in relation to the number of ASICs that are issued, there are a significant number of ASICs issued and our airports are becoming just like shopping centres. If we are concerned about security and organised crime, we should be limiting who gets ASICs and where they go on airports. It seems to us that all we are doing is turning these airports, which are primarily for the transmission of passengers and cargo, into shopping centres. We think that that is a focus that should be undertaken and we should be looking at who gets ASICs, what the purpose is and whether it is for the primary function of transport.

They are the key issues we have, which I think are all in our paper. Steve McInerney can talk about the renewal process of ASICs, either by way of a short statement or through questions.

CHAIR—I invite Mr McInerney and Ms Edwards to follow on.

Mr McInerney—I am a shift supervisor in a domestic cargo shed at Melbourne airport. I have been employed by my company for 18 years and I have been an ASIC holder for approximately 15 years. We supervise and load control cargo airport and provide cargo inputs to passenger aircraft at Melbourne airport. Cargo, by nature, is a diverse beast and can present a lot of unseen hazards primary for people in a cargo shed who are dealing with load control and organising freight to go on aircraft. Our biggest concern is primarily focused towards dangerous goods. The accepting staff at my company will turn in both dangerous goods and what they call RACA, regulated air cargo acceptance, procedures.

A high percentage of all cargo that goes through my shed is subjected to explosive trace detection. We divide shipper at our company—and I think most freight companies would probably do this—into known and unknown shippers. Unknown shippers are people who have not had a history of lodging freight with us before. A known shipper will generally have one to two people inside the company who are responsible for their shipping of cargo through my company, and they will be named and they will have a licence number. People lodging directly at the airport would generally have to provide ID, which is photocopied and kept. All of that freight, 100 per cent, is exposed to trace detection. We have a whistleblower number within our company to report anything that looks remotely suspicious. Our staff are trained by in-house trainers to recognise both behavioural and physical clues that can signify someone attempting to lodge an improvised explosives device. No flight information is given to unknown shippers.

Basically we are, I suppose, more concerned with ensuring that the aircraft arrives safely at the other end every time. To be a staff member of my company, we are subjected to fairly high security procedures. We have in-house bag searches. Individual identification numbers on our phones are kept by the company. Obviously, locker searches are part of the airport procedures now. We also agree to random alcohol and drug testing and we also do recertification. We are a well-paid, well-trained workforce. We view the job as a career and we want to make sure that every, single person on the aircraft that we put cargo on gets to the other end safely—that those planes get to the other end safely.

As far as some of the issues that staff members would have, I will give my personal example. I have filled out the ASIC recertification—that is, Melbourne airport's particular ASIC

recertification—about eight times. The form is no different for me than it is for a new employee. The form for the background check, et cetera, is basically exactly same for me as it is for somebody who is just starting out at any given company at Melbourne airport. With my particular company, people are there for quite a while. We are all five-, 10- or 15-year employees. One of the concerns that they have raised is that on a biannual basis we fill out an address history going back 10 years. When you are 20-something it can be very difficult, because you may have had quite a few rental addresses in that period of time.

CHAIR—Are you the person referred to at point 16 in the submission?

Mr McInerney—Yes. That is another one. I have two Australian children. I have lived here 17 years now. I have probably travelled out of the country maybe three or four times since then. I really do find it quite difficult to remember what day it actually was when I arrived in Australia. It was probably three passports ago now. I wonder to myself, as I am filling that form out, ‘Is anybody actually reading that at the other end?’ Some of my work colleagues are concerned that if they do misstate address history, for example, it may be a black mark against them.

Ms Edwards—Steve has talked about the security and what they are looking for in cargo. One of the things they are not looking for is drugs, for instance, and other examples of criminal activity. Maybe Steve can talk about the processes in relation to organised crime.

Mr McInerney—What I would say about that is that, as acceptance staff, people who are loading aircraft, people who are presenting ULDs—unit load devices—to passenger aircraft, our main concern is making sure that there is nothing that presents a hazard to the aircraft, nothing that the pilot is not notified about in terms of a dangerous good—

CHAIR—Could I ask, Mr McInerney: you are loading the aircraft for overseas; you are not unloading it?

Mr McInerney—No, domestically. Domestically we both load and unload aircraft. On any given night out of Melbourne airport we would put approximately 100,000 kilos of freight in and out of that airport. Our main concern is making certain that the pilot is notified about all the dangerous goods that are on that plane, that there is no leaking and nothing that is going to present a hazard to the people on the plane. I can assure you, Senator, that everybody at my particular workplace is very, very focused on that and not on illegal substances, if you like.

CHAIR—Ms White, you referred to the ability to obtain temporary cards.

Ms White—Yes.

CHAIR—To get a temporary card, do you have to fill out that 32-page document? Mr McInerney might know this, being in ground handling there. You are not actually pushing around one of the containers to get it ready for the plane? There is a ground handling service.

Mr McInerney—Senator, our company does everything. We put the cans on the plane—

CHAIR—Do employees who are driving the forklifts and loading or unloading the containers working for the same company as you?

Mr McInerney—Absolutely. In our case they are, Senator—but not necessarily throughout the industry.

CHAIR—What about if there is a shortage? Who actually comes in and fills the shortage if there are no forklift drivers there on Friday night, Sunday morning or whatever? What sorts of casuals do you have?

Mr McInerney—I guess this goes to what Ms White was talking about. When there are staff shortages due to sickness or injury, there are casuals brought into the workforce. On some occasions they would be fairly regular casuals, and these people may have ASICs. The gentleman before spoke about yellows, and these are people who must be escorted at all times.

CHAIR—I realise your company is not in this predicament, but maybe Ms White would be in a better position to make an observation on it.

Ms White—There is a vast range. There are long-term employees with long histories who have had to fill the forms out eight times and there are people who have been there momentarily. They are there very briefly. There are a couple of situations, as with passenger ground handlers, where you can be a team leader after six weeks because the turnover is so great. You might have three days training at the most, if you are lucky. So it is a vastly different experience depending on which company you work at, and there are some that supplement with day labour that is not necessarily consistent day labour.

CHAIR—Do you mean labour hire agencies?

Ms White—Labour hire, that is right—casuals and those sorts of people. So they get issued with visitors' passes, and how long they have them for will depend on the demand at the time.

CHAIR—So they are working on visitors passes, not on ASICs?

Ms White—They can work on visitors passes, yes.

CHAIR—You may be able to assist us in this, but what are the criteria for a visitors pass? Are they the same as for other passes?

Ms White—I have to take that on notice. The other person who was coming would have known that. Unfortunately, he was sick this morning. So I will take that on notice and get that for you. But certainly that has been our experience in some locations. I understand they have to fill something out, but it is the process of getting the background checks that can take some period of time and they do work in the interim.

CHAIR—So, if you get a visitors pass, it sounds like you can work.

Ms White—That is my understanding. I have seen that and heard that from our reports.

CHAIR—We have the TWU coming in tomorrow. They will probably be a bit more familiar with this.

Ms White—Yes, they will know. In our passenger service areas, when casual labourers have come in at peak times, they have been working on visitors passes. They are supposedly not supposed to go behind the scenes to the secure areas, but I do not think that is necessarily the case.

CHAIR—Again, they would be from the labour hire agencies?

Ms White—Yes.

CHAIR—I think you heard me talk about Senator Heffernan and the private security firm.

Ms White—Yes. My experience of the industry over a number of years is that, the less well paid you are and the less secure you are, the quicker the turnover. That is where the turnover occurs. If you have a strong, stable workforce that is well paid, they are there forever and they are basically loyal. There is a different work profile compared to where you have a turnover of people. To us, that is a significant risk.

CHAIR—So in your experience we would have people working in secure areas who would have temporary and/or visitor cards?

Ms White—It certainly has been reported to me that they have been doing that.

CHAIR—I know you are not in a position to answer this, but we are not sure what sorts of background checks have been done on them. Again it goes to what you referred to. You talk about the trust of the insider as well. You heard my question to Mr McArdle about the retail outlets.

Ms White—Yes.

CHAIR—He said the passengers get bored, so they need something to do. Can you outline to the committee the union's concern in relation to the nature of our inquiry, which is about the efficacy of security against serious and organised crime in the maritime and aviation industries? Why do you think the retail outlets present something that should be brought to our attention?

Ms White—The more people that you have that you have to screen, the more pressure it puts on the system, the more people have to be watched, the greater the turnover there may well be—and, to us, this is an airport, where the primary focus is flying and the transport of cargo and passengers. It is not about retail. The passenger experience—while we understand this—is where airports make their money. But, if you are focusing on the people who work for airlines and airports because they have this access, we say: why don't you limit the number of people who can be there? It is not about the shopping experience. It is not about that at all; it is about the secure transport, the safety. Nobody wants to work in a place where there is organised crime and where they are constantly under suspicion, so if you limit the number of people who have access then you must limit the risk. That is our philosophy. While we understand it is in the interests of airports—airports make more money out of the shopping experience than they make out of the transport experience—we do not think that should be the primary focus of border security and security for the government and Australians. We do not see that.

CHAIR—I have one final question before I hand over to my colleagues. The cost of getting an ASIC and the cost of renewing—are they the same figure?

Ms Edwards—I think it is \$10 cheaper to renew.

CHAIR—Do your members all pay for the first one and do they pay for renewal, or do you have arrangements with some of your employers where some pay and some do not?

Ms White—Yes, we have some arrangements where some pay and some do not.

CHAIR—What is the figure?

Ms White—Is it \$196?

Ms Edwards—That was in 2007.

Ms White—Do you know how much it is?

Mr McInerney—I do not want to misquote, but I believe that my manager said he pays somewhere around the \$200 to \$220 mark.

CHAIR—Do you have any idea what a temporary or visitor one is?

Ms White—I do not know, but we can find out.

Senator PARRY—Mr McInerney, do you have your red ASIC with you at the moment?

Mr McInerney—I do.

Senator PARRY—Would we be able to have a look at that, just out of curiosity, since we will be talking about these for the next few weeks? Thank you.

Mr McInerney—Please excuse the photograph.

Senator PARRY—With your first application that you completed for your card, Mr McInerney, how long did it take before you were granted the card?

Mr McInerney—I am a landed immigrant. I have to put my hand on my heart and say that I have two Australian girls; I have not put my hand up yet. Things changed between Canada and Australia a few years back now and we were able to dual. As you might understand, I feel fairly strongly still about my homeland, I guess.

It took quite a while at the beginning. It does not take nearly as long now. But obviously that is a closed box, a black box, if you like; I do not know what goes on, sir. I really could not tell you.

Senator PARRY—Just for the purposes of *Hansard*, I am holding up the red ASIC. Is that also a door swipe?

Mr McInerney—No.

Senator PARRY—So that is purely for identification only?

Mr McInerney—That is correct.

Senator PARRY—It has no other purpose whatsoever?

Mr McInerney—Yes.

Senator PARRY—I noticed, just coming into Tullamarine yesterday, that there was a big sign on the airside saying that you must carry this card at all times.

Mr McInerney—Absolutely.

Senator PARRY—Are you ever picked up—or do you pick up other people if they do not carry them?

Mr McInerney—Absolutely.

Senator PARRY—What is the offence if you do not carry them?

Mr McInerney—If you do not present that card you must show due cause that you have misplaced it or, if you arrive at my shed and you do not have your ASIC with you, you turn around and go home and get it.

Senator PARRY—Have you been aware of any measures where someone has either lost or damaged it and they have continued work without a card?

Mr McInerney—I have lost mine and had to report it, and it ended up coming back from Darwin two days later in a container.

Senator PARRY—And did you continue working?

Mr McInerney—Absolutely. But you must then be yellow carded—in other words, have the yellow temporary—

Senator PARRY—So you have to have an instant replacement—

Mr McInerney—That is correct.

Senator PARRY—so you still cannot be airside without any form of identification.

Mr McInerney—Absolutely not.

Senator PARRY—Without going through the other things in this, are there electronic swipe cards in here for access to different parts of the terminal as well, which you carry with you?

Mr McInerney—Only to my terminal in my particular case—only to my cargo shed. I will just clarify what the gentleman was saying before. Even though I have a red card, what the gentleman was saying before is completely correct: I would not be allowed to enter the shopping/post customs area at Melbourne Airport because I would have no reason to be there.

Senator PARRY—I notice that we are getting copies of the application form, and thank you for providing that. I noticed that it had more categories than I was aware of on the application form.

Mr McInerney—I think you would find—and Linda would probably know as well from the Qantas viewpoint—that companies generally provide the swipe cards. I think Qantas's may be part of the ASIC, but in our case, no, it is completely separate.

Senator PARRY—So this particular card is issued from your company?

Mr McInerney—No, this card is issued by APAM, Melbourne airports.

Senator PARRY—Are you aware of other airports? We may deduce this from evidence further along. Does each airport have its own variation of this card?

Mr McInerney—I do not know.

Senator PARRY—All right.

CHAIR—But you have had something like that since you have worked at the airport, haven't you?

Mr McInerney—Absolutely, from day one.

CHAIR—It is just that from a few years ago you had to start filling out forms to give a background to yourself, didn't you?

Mr McInerney—No, from day one—from the day that I started work.

CHAIR—But the criteria have increased about whether you—

Mr McInerney—As I said, I do not know what happens behind with AUSTRAC and all that sort of stuff—the checks—but the form has essentially maintained the same status all the way through in the 15 years that I have had to do it. It is exactly the same form that I filled out two years ago, and two years before that and two years before that.

Senator PARRY—When you go through the renewal process, does this expire on a certain date and do you complete the renewal prior to that date?

Mr McInerney—Absolutely. If you have a look on that card—

Senator PARRY—This says ‘July 10’, so this will expire in the month of July, on the last calendar day of the month?

Mr McInerney—Yes.

Senator PARRY—Do you complete the renewal process prior to the expiration?

Mr McInerney—That is right.

Senator PARRY—What would happen if you completed the renewal application form and you did not receive the okay prior to expiry? Has that ever occurred?

Mr McInerney—Generally speaking, if that is the case, you are allowed a temporary yellow, but, if you are on a yellow, that means that somebody is escorting you at all times.

Senator PARRY—What do you physically do? Let us say that you lost this today and you were at work, what do you physically do to get a yellow? Do you go to an office? Does someone hand you one? What happens?

Mr McInerney—I have to report that immediately to APAM, Melbourne airports, and then my company will issue me with a yellow based on their discretion, whether or not they feel that—

Senator PARRY—And that is just a yellow card that they can issue at any time?

Mr McInerney—No, each company would receive a certain number of temporary ASICs, if you like.

Senator PARRY—And then they can issue those, and someone would have control over those, like in a drawer or a secure area?

Mr McInerney—That is right; a security rep.

Senator PARRY—They can just be handed to you instantly? There is no formal process?

Mr McInerney—Yes, there is. There are what we call logs kept of it.

Senator PARRY—But we are talking minutes? This can happen in minutes?

Mr McInerney—Yes.

Senator PARRY—Are you aware—and it may be a question beyond your knowledge—that any other senior authority monitors how many yellow cards are issued at any point in time? Are you aware that that has to be reported to the Melbourne Airport authority or elsewhere?

Mr McInerney—I am not aware of that.

Senator PARRY—Thank you, and we had better give you this back so you do not get into trouble!

Mr McInerney—Thank you very much.

CHAIR—So you do not have to get a yellow card!

Mr HAYES—Mr McInerney, your condition of employment is subject to your holding one of those cards, so, if for some reason renewal is denied to you, you cease to be employed?

Mr McInerney—Absolutely.

Mr HAYES—So there is no argument about your rights or anything like that, other than pursuing the issue of a card through the courts, perhaps? Your employment rights are fully determined by you having access to one of those cards?

Mr McInerney—Absolutely.

Mr HAYES—The union has made a number of comments in relation to the almost commercialisation of the airport vicinity—the shopping and all the rest of it—as opposed to the growth of the aviation industry itself. You have indicated that you see that as a concern. A couple of things come to mind for me. In terms of access to airside, presumably at an international terminal anyone who is stocking or restocking the shops after you go past security, would be accessing that from underneath—from airside—wouldn't they?

Ms White—That is what I presume. Yes.

Mr HAYES—So presumably you have a whole host of other people involved in things other than with your company or the other carriers' companies—all associated with the shopping activities—having access to airside, as well.

Ms White—That is it exactly. It multiplies the numbers of people who can do it. For international terminals they may bring it not airside but through the secure parts. But it is still a secure area. They have to stock, that is for sure.

Mr HAYES—I am aware that in Sydney—unless it has changed since I was there last—their storage for restocking was held airside. Presumably that is still the case. The other point you make, which is pretty prevalent throughout the aviation industry, is about the casualisation of the workforce. Is it becoming increasingly difficult to have proper security checks done on people who are going to be there on an extremely temporary basis?

Ms White—It is cyclical in the airline industry—when there are more planes often more people come on. So that puts pressure on the system. If they are casual workers who are only there for a very short period of time it does put pressure on the processing of the ASICs. They are only small periods where that happens. Some airports and airlines turn people over quickly just because that is the way they do it. So there are periods of time when there is significant

pressure on the process. You do have this situation where people might start their job and not get their ASIC—they are finished before it is processed.

Mr HAYES—Other than the costs of maintaining permanent employees, what has changed? This used to be an industry governed by permanent employment, not all that long ago.

Ms White—That is absolutely true. It certainly was, and I think there are significant pockets where it still is. But there are pockets where that is not the case—and that is what I think undermines the whole system.

Mr HAYES—Were you facing competing interests between that of more intense security regimes applying at airports and the commercial needs of carriers to reduce costs and casualise their workforces?

Ms White—That is it: what becomes an acceptable risk? That is the point I was making, I guess, about these automatic check-in machines. You ultimately compromise security by having automatic check-in machines. Is that an acceptable risk and are we happy not to know who is actually on the plane; are we happy for people to check their own bags and are we happy not to have screening by somebody at the front line to say, 'That looks suspicious; maybe we should check this.' Let's think of the most recent suspicious security issue overseas. It was a person—I think it was in Germany—who detected that there was something wrong. It was not a machine and it was not some screening. It was an individual who said this. If you take that away you compromise security. You might want to compromise security but you have to know that you are doing it and say, 'Well, okay, that's an acceptable risk.' We say it is not.

Mr HAYES—Do you say we are out of step with world trends in that regard? Recently when I travelled overseas I almost found I was being interrogated by check-in staff. I certainly had to produce ID—and that was when travelling state to state—whereas here I can walk up and put my credit card in a machine and get a pass and walk straight on.

Ms White—You cannot fly in the level-1 airports without them knowing that you are who you say you are. Here you cannot do that internationally but you can do it domestically day in and day out. To me that is a failure. It has been pointed out recently by a security consultant that that is a hole.

Mr HAYES—That is an inconsistency with our drive for greater security.

Ms White—It seems to me that, if we focus on the trusted insider, we are not focusing on the passengers at all. We are just saying, 'Oh well, that is all commercial and is an acceptable risk.' I think we need a balance in the system.

Mr HAYES—You mentioned in your submission, although you did not touch on it in your evidence, that in relation to the trusted insider there needs to be a balance with civil liberties. That would be a very difficult balance if you have an overall focus on security I would imagine.

Ms White—I think you have to have a regime that enables people to have a right of appeal. As Steve has rightly said, if his ASIC is taken away from away him, he loses his job. We need an appeal process. We raised this in the Wheeler inquiry as well. There can be mistakes made and

you do not want to have a six- or 12-month process to undo a mistake. You have to have transparency in any process that respects people's civil liberties.

Mr HAYES—One of the things you said was that people are trained at Steve's workplace, for instance, to look at explosive devices and things of concern that could do damage et cetera. Do you see that there is a role for people to be trained in looking for other things such as contraband and illegal substances being transmitted around airports and that there would be a requirement for employees to notify?

Mr McInerney—I believe that you would find that there would be a culture at least in notification. In other words, if we saw something suspicious going on, we have a number and we would call. I would believe that firmly of the people that I work with. We are much more concerned with safety and ensuring that the particular flight that cargo is on is a safe flight. In other words, making sure that no undeclared dangerous goods make it onto that airplane, that the cargo is secured correctly and that the pilot has been notified correctly of the weight and so on. It would be my opinion that criminality in terms of Cargo Safe, for example, would be better served in terms of detection by government instrumentalities such as the Australian Federal Police and Customs.

Ms White—Our experience is that people are not brought into the loop. They are boxed into the security. If they are trained and made aware of what they should be detecting, then they will take that responsibility on. At the moment there is a gap, undoubtedly.

Mr HAYES—You could not expect people coming in casually to take that on that level of responsibility.

Ms White—No because they would be gone. As I said, it depends on what type of training they get. If you want to a highly trained, motivated workforce it is generally about job security in the long term.

Senator POLLEY—Most of my questions have been asked. I was going to pick up on your comments in relation to passengers arriving in Australia and the fact that their bags are not scanned. When going to the United States there is internal security you have to pass there and trying to gain access to Israel is endless security screening. Can you elaborate a little bit more on your concerns and what should happen, and whether or not that is going to cause an increase in the cost of passenger travel?

Ms Edwards—This was brought up by one of our delegates who is seeing this sort of activity about the trusted insider and was frustrated by seeing big gaps in his workplace. His concern was that, when people arrive in Australia and go through the arrivals hall, there is no requirement to have your bags searched or even x-ray scanned, and at several airports there are x-ray machines necessarily for those arrivals. He was saying that it seems commonsense that all baggage arriving in Australia should be scanned, just as much as all the baggage at Steve's workplace is required to be scanned.

Senator POLLEY—In relation to the comments about filling out the same form repeatedly, what you would do is keep a copy of the form that you filled out two years ago, so that, when you come to do it again, you would have the number of the flight on which you arrived in

Australia 17 years ago and you would just copy that. Are there any spot checks that happen at the airports for people that are working there and have these red passes or temporary passes?

Ms White—They do that, yes. That has only been in the last couple of years, since there has been a penalty about the display. There have been instances where people have had spot checks. They look at whether they have got them, and people have been warned and/or fined.

Senator POLLEY—Do you have any fears in relation to the amount of penalties that have been handed out since that process has come into play? Or could you take it on notice?

Ms White—I will take it on notice. I certainly have got instances of unfairness which I can elaborate on. I cannot bring them to mind, but I have a recollection of times when our local representatives have been concerned about the way in which things have been handled.

Senator POLLEY—The focus of security has been in relation to national security rather than looking at it from an organised crime point of view. Has the union got any recommendations on the sort of communication that needs to take place, the sort of training that should be made available for those working in our airports?

Ms White—We certainly believe that it is incredibly important that people at the front line should at least have some knowledge of what they should be looking for, that it is a safe environment to report, that they are not going to get in trouble for raising issues of concern, that if they think something is suspicious it is acted upon and that if there is some disruption it is acted upon. In another context—in the ground rage, air rage context—it has taken us 15 years to get a feeling where it was safe to do it and that somebody would do something about it. That is a cultural change that you need, where people are constantly doing it. I think people want to do it but they need to be brought in and they need to be trained and they need to understand. Three days training is not sufficient to give people the knowledge that they require. Initially in Australia check-in agents in some companies would have six to eight weeks training. These days it can be three days, and that might be the maximum they would get. You are never going to get the ability to perform—to recognise something that is suspicious, to report, to know all the regulations—in a three-day training course.

Mr McInerney—Strictly from a cargo point of view, our staff, if they are front counter acceptance staff, must do the DG course. That is a minimum three-day course. Our company deals with a fellow who was Qantas's dangerous goods officer for years. They are not able to go live by themselves on the counter for at least six to eight weeks. Linda was talking before about committed workforce and so on. Basically now we are coming to a head between the low-cost carriers, who do not want to handle—I do not know how to describe this, but they are not interested in the hard bits. My company moves everything from the radioactives from ANSTO for medical research—we are the only people, pretty well, who do it in Australia—to the blood that goes to the hospitals around the country, to doing Australian Defence Force staff travel. So we move a vast range of things. It is really enough for those people to be able to concentrate on making sure that the planes that you travel on are safe, without worrying about the kilo of cocaine that maybe somebody has tucked into some machine parts. There is no doubt that my colleagues would say something if there was something there, if there was a suspicion that something was going on. We have a number. We would report it immediately. But I think what you are finding now—at least within the cargo business we can see this happening—is that other

companies within our game are not interested so much in moving these sorts of things that are a little bit more difficult, if you like, because it takes up time and it takes people who are committed and it takes people who are well paid and well trained, I suppose.

Senator POLLEY—My final question: what is the process for your colleagues, if you find some illegal substance in a machine part, for reporting that?

Mr McInerney—That would probably go to a duty manager and it would most likely be that it would be behavioural: it would be somebody at the front counter jumping up and down saying, ‘Where’s my box? Where’s my box? Where’s my box? Where’s my box’ in a way that you could detect that there probably was something not quite right about what was going on. That has happened on occasion.

Senator POLLEY—What about things such as illegal firearms? Have you had any experience of any firearms being detected?

Mr McInerney—Absolutely not in terms of illegal. We have had people unwittingly shipping things without declaring them, if you like—they are still brand new in boxes and have been x-rayed; you can pick it up straightaway. It is something that you must declare. This is the sort of thing where we work very hard at making sure those things do not get onto the planes that you and I are travelling on. We really work hard at that.

CHAIR—Just a final question: in recommendation a, Ms White—you have seven; a number of them you have already canvassed—you say, ‘Require employees to report if they receive a criminal conviction’. Your experience is that they do not have to report a criminal conviction at the moment when they are convicted; they just wait until the renewal.

Ms White—Some companies have it in their policies that if they have seen them they have to report it, but I do not think they have to report it as a result of the ASIC.

CHAIR—It seems you are more in favour of random checks not complete renewals. Why do you see them as being more effective, not necessarily in relation to terrorism but serious and organised crime?

Ms White—My understanding was that you did not have to report criminal convictions while the ASIC was live, so our thoughts were that if you did not go to this and that you had to do that, then you could have random checks to see if it was a problem.

CHAIR—So they are connected.

Ms Edwards—I guess we are looking for other solutions. Our members report that it takes six to eight weeks for their ASIC to be processed, so clearly there is too much pressure either from the number of cards being issued or the number of applications being sent to AusCheck or ASIO and the other issuing bodies. I think we need to come up with other solutions to reduce the pressure on these agencies because clearly they are not able to undertake the background checks in sufficient time. Six to eight weeks is too long for workers waiting for their cards and potentially being on visitors cards in that time. Random checks are one way of alleviating the kind of frustrations of our members who are filling out two-year renewals and answering those

same questions, which we think is diverting resources from where those agencies should be focusing their attention.

CHAIR—We are aware that a number of people have not been issued with ASIC cards—we are not necessarily aware of people who have not been able to have them renewed. Have you had course to take action through Fair Work Australia or other means because people have had their cards knocked back or not had them renewed? If you would like to take that on notice—

Ms White—I will take it on notice. It might have been handled at the branch level. We have a unique problem, though. A couple of the companies require people to have ASICs even if they are not anywhere near an airport or a secure area. Let us take Qantas. I notice that they say they are the largest issuer of ASICs. Well, everybody at Qantas, whether they ever get to an airport or not, has to get that, and it has arisen in that instance. For instance, we have had people who have worked at call centres and who never go near an airport. Because they get knocked back on an ASIC, we have taken that up as to whether or not it was a fair and reasonable thing to require a person who is not even in a security area to have an ASIC. But they were on probation. This is the recollection of one person at least: they were on probation, and so that made it fairly difficult to argue about it.

CHAIR—I am interested not in the application but in the renewal.

Ms White—Renewal. I will certainly—

CHAIR—If it is possible to find out. I know it is difficult where they might not all report back to their federal office.

Ms White—Yes, with branches. I will ask about that. There have certainly been issues for new employees outside the airport environment. But I will ask about renewal.

CHAIR—Thank you very much, Ms White and Mr McInerney.

Evidence was then taken in camera—

Committee adjourned at 1.00 pm