COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

JOINT COMMITTEE ON THE AUSTRALIAN CRIME COMMISSION

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

WEDNESDAY, 10 NOVEMBER 2010

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JOINT STATUTORY

COMMITTEE ON AUSTRALIAN CRIME COMMISSION

Wednesday, 10 November 2010

Members: Senator Hutchins *(Chair)*, Senator Mason *(Deputy Chair)*, Senators Fielding, Parry and Polley and Ms Grierson, Mr Hayes, Mr Keenan, Mr Matheson and Ms Vamvakinou

Members in attendance: Senators Fielding, Hutchins and Parry 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

Committee met at 9.17 am

CHAIR (Senator Hutchins)—I declare open this meeting of the Parliamentary Joint Committee on the Australian Crime Commission. Today's hearing is for the committee's inquiry into the adequacy of aviation and maritime security measures to combat serious and organised crime.

I advise the witnesses that, although the committee prefers all evidence to be given in public, requests to give all or part of your evidence in camera will be considered. Evidence taken in camera may, however, subsequently be made public by order of the Senate or this committee. I remind witnesses that all evidence given is protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee. Such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to the committee. If a witness objects to answering a question, the witness should state the ground upon which the objection is to be taken, and the committee will determine whether it will insist on an answer, having regard to the ground that is claimed. If the committee determines to insist on an answer, a witness may request that the answer be given in camera.

The Senate has resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted.

[9.19 am]

CARVER, Detective Superintendent Charles Byron, Serious and Organised Crime Branch, Western Australia Police

PLUMB, Ms Maggie, Private capacity

PADGET, Mr Mark, Leading Intelligence Analyst, State Intelligence Division, Western Australia Police

CHAIR—Welcome. Do you have any comments on the capacity in which you appear today?

Det. Supt Carver—I am the superintendent in charge of serious and organised crime in Western Australia.

Ms Plumb—I currently work for WA police, but I am speaking as a private person.

CHAIR—I now invite you to make some opening remarks to the committee, followed by the presentation of your research paper. At the conclusion of your remarks I will invite members of the committee to ask questions.

Det. Supt Carver—I will start. It is a pleasure to be here today. Thanks very much for asking us to come and present to you. Today we are going to go through a format where Maggie is going to give a presentation in relation to some of the issues that we believe affect this state in particular. Mark is here as well to talk about his experiences in relation to the intelligence side of things and the knowledge that he brings to the table. I will basically be talking about bigger, broader issues in relation to the impact that these issues have on Western Australia and how we might go about addressing those and bringing it to your attention. Again, thanks for inviting us today. I will hand over to Maggie. She will go through the presentation to start with and bring you up to speed with that.

Ms Plumb—Thank you very much. I am going to present—

Senator PARRY—Chair, I want to clarify something. Ms Plumb has indicated that she is appearing in a private capacity, yet she is being introduced by the Western Australia Police as part of a team. Can you just explain what the private capacity is and what the—

Ms Plumb—Certainly I can. What I am going to present to you is research that I did as a private person whilst employed at WA Police. What I am going to show to you is the research study and the findings. They use WAPOL cases; however, I do not speak on behalf of the agency. I am speaking to explain research to you which is related to the matter you are inquiring into. So I present WAPOL information based on their cases but I do not speak on behalf of the agency.

Det. Supt Carver—In relation to that, if I could clarify that: I have read and seen the presentation. Because it is using WAPOL information, I have no problem with clarity in relation to what Maggie is going to talk about today. The presentation she is going to give has come from

WAPOL information and as far as WAPOL is concerned I have no issues with her presenting today, with your permission.

Senator FIELDING—Chair, just a point of clarification on what Ms Plumb will present: do WAPOL agree with—

Det. Supt Carver—Yes, absolutely.

Senator FIELDING—everything that is in there? Does that make sense? I do not want to find later on that that we rely on information and then WAPOL say, 'No, it's not our conclusions.'

Det. Supt Carver—I was actively involved in the writing, in the information being presented.

Senator FIELDING—Okay, good.

CHAIR—Righto, Ms Plumb.

Ms Plumb—Thank you again for the opportunity to present to you gentlemen. What I am going to present to you—and I believe you have a copy of it—is the results of my honours research. The research was conducted in 2005 and 2006, and I have just revisited the research and collected new data in 2010 to refresh it. I will take you through, and I am happy to stop for questions at any time or at the end.

What I am presenting to you is *Domestic airline passengers flying in false names: disorganising organised crime*. There are some important things to remember. This was personal research that I conducted as a student, although employed by WA Police. It is WAPOL data; however, it is not the WAPOL view. It is academic and theoretical in basis, but it is a view of the real issue. And I am presenting findings versus solutions now. Sometimes findings can be branded solutions, but they are not panaceas.

The drivers for this research were when I was at WA Police working as a research officer and was asked to write the submission to the Wheeler inquiry on behalf of Western Australia Police. The drivers for the Wheeler inquiry were, firstly, in 2001, the September 11 disaster.

Secondly, in 2004 Ms Schapelle Corby was arrested in Indonesia. Her legal team made comments in defence of her behaviour that baggage-handling staff may have had access to her baggage and put drugs into it without her knowledge. A year later there was a problem with one of the baggage-handling staff who was seen wearing a fancy dress costume in the shape of a donkey around the airport tarmac. It had come out of a passenger's suitcase and the passenger happened to see it. So there was some question over the security of baggage.

Lastly, in the political environment that we constantly live in, there was a need to hold an inquiry into the security and policing of Australian airports. The Hon. Sir John Wheeler came from England and conducted that inquiry. The Wheeler report looked at a broad range of things in airports in relation to security and policing. It focused on three major outcomes and recommendations. The first was the physical security of airports, so there were lots of CCTV cameras, monitored and unmonitored, installed. The second was personnel checking. Staff were

given ASICs, cards to allow them appropriate access to areas that they should have access to. The third was jurisdictional arrangements. The Wheeler report focused a lot on federal and state agencies working together across jurisdictions.

That formed part of the background to the study. I was very concerned about the post September 11 environment. Little change had occurred in aviation security in Australia. There was evidence of organised criminals exploiting people's names and using false names in the airport. The Wheeler report did not address the issue of passengers not declaring or authenticating their identity. Nobody in that whole picture was looking a passenger identity at all. Systemic vulnerabilities were allowed to remain because they were not examined, so I decided that I would do a private study as an honours student, postgraduate.

With regard to policing—and this affects not just WA police—passengers who fly on domestic aircraft under false names create barriers to many investigations, including serious and organised crime, gang crime, major fraud, major crime, missing persons and disaster victim identification. If people are flying under false names and there is an event midair and a crash it can be quite difficult to identify some people.

I will give you a little bit of theoretical, academic information. The objectives of the study that I did were as follows. I wanted to explore the use of false travel identities, to look for the enabling systemic processes and to find out how this was actually happening. I wanted to determine whether the current processes were consistent with the theory of situational crime prevention. I will give you a potted history of that. Basically, you have something very valuable—say, the crown jewels—and you have a burglar who might want to break in and steal them, so you put a layer of security over them. It is perhaps a guard or some alarms. That is preventing the person from coming in and taking what he or she wants by making them perform an instant risk analysis to determine whether they will be able to get what they want without being detected. I was looking at that on an aviation and airport basis. A further objective was to document the undocumented. There is no literature around that talks about passengers flying under false names in a domestic context. There is lots about passport fraud but certainly nothing in a domestic sense.

The Hon. Sir John Wheeler stated that airports are teeming with the potential for organised crime to be attracted to them. They manage exports and imports of over $100 billion per annum. They manage 50.2 million domestic passengers annually and they provide employment for 150,000 people. They are very close environments; they are unique. He stated:

> Such flows of wealth and people through such a concentrated node provide rich opportunities for … crime …

The study I did was action research, so I was looking at a real problem. I collaborated with practitioners to look at what the problem is and try to identify some solutions. The way I did that was to look at case studies using a theory of hermeneutic analysis, which is a method of testing data. I also used the situational crime prevention theory. Data was collected in two sections. The first was in 2006. As stated, I repeated the exercise in 2010 to see whether we could find a similar pattern, whether it had reduced or whether it was still continuing. Cases came from Western Australia Police. I applied through the research ethical committee and was approved to collect the data. I requested cases from everywhere. However, the incident management system of WA Police does not record people who use false travel names, because that had not been

important. It is a bit like looking for criminals who are left-handed: it is not recorded in the information systems. So I had to rely on police officers and detectives who could remember that this had occurred. I canvassed as many people as I could, repeatedly, and I was only able to find cases from the organised crime squad, the major fraud squad and the gang squad. That tells me that it is perhaps not happening every day.

There were four separate cases in the 2006 data collection, involving 13 offenders who were known to have used false travel names in the planning or commission of their crimes or to escape after the fact. Briefly, this is how it works. I have in brackets 'Don't try this at home', but you can, because we all do, and it is not an offence. When you flew to Perth for this visit, who was sitting next to you? You were probably sitting next to each other! But there may have been people on that flight who were carrying significant quantities of illicit substances and not flying in their own names. It is easy. Booking and paying for a domestic airline ticket can be done through a travel agent, which is pretty rare these days; you can book on the internet; you can phone the airport or go to the airport desk or another party can provide you with a ticket. You can pay in cash, either legitimate or stolen—proceeds from a crime—or a cheque or credit card, either your own or someone else's, maybe a friend's but maybe the use is fraudulent. You can use frequent flyer points. There are also airline beneficiary schemes. Proof of identity is rarely required for any of those. Charlie, would you like to explain about the airline beneficiary schemes?

Det. Supt Carver—I would need to go in camera to discuss a particular incident, but I can actually go generic with this one. We have had instances in the past when workers from a particular airline have had entitlements to fly as part of their employment. They have sold those entitlements to other people, and people have flown under their names from place to place. Those are entitlements as employees of that airline, either air side or in the check-in-cum-administration area of the airlines.

CHAIR—Is that domestic?

Det. Supt Carver—Domestic, yes.

CHAIR—Perhaps you could finish your submission and then we can go in camera.

Ms Plumb—Certainly. In relation to checking in, we know that now you can actually check in from home or your office, print your own boarding pass on your own computer or even use your smartphone for check-in. You can check in and print your boarding pass at the airport via the self-serve web kiosk or you can check in at the counter the old-fashioned way. No ID is required for any of those methods.

You can take checked baggage to airline staff for check-in or you can give it to another passenger to check in—because no-one is really asking about it. One airline is trialling next-generation bag drop in Perth at the moment. When you print off your boarding pass at the airport you can print your own labels to stick on your suitcase and then place the suitcase onto the conveyor belt. You do not come into contact with any staff. Or you can have no baggage at all—and I usually like to say, 'Wouldn't we like to meet somebody like that?'

Screening is a really important issue at airports. It is taken very seriously at international airports, but we seem to have a practice at domestic airports of being very trusting and believing that everybody is doing the right thing. However, we know that is not the case. Screening at the airport entails security staff and CCTV networks; airport staff are screened and display their ASIC; there are other metal detectors and bomb residue screening of passengers; there are canine patrols who search for food, explosives, drugs and currency; but nobody is screening for passenger identity. You can do all of the administration, purchasing and checking in, and the first time you see a person from the airline is when they check your boarding pass as you are boarding. The boarding pass does not have to be in your name. Domestic airports are not a sterile boarding environment. A sterile boarding environment is what you see at an international airport, where the only people who go past certain points are people who are flying. The identity checks happen after that point. What we have is a sterile concourse at domestic airports. You could check in in your own name, go through screening of your baggage and metal detection, go upstairs to the bar and give an organised criminal your boarding pass, and then he flies and you do not. There is nobody checking. Apparently, we do not care.

I would like to present some examples to give you a bit of a context. The first is a 28-year-old Perth mechanic and his associates who flew between Perth and Melbourne every two weeks, which is a little unusual for a mechanic. There was evidence of extensive links to Western Australian and Victorian organised crime groups. He was a known methamphetamine dealer. He booked airline tickets in false names for himself and the associates he was flying with. He had a little book where he recorded the false names that he used, because he did not want to allocate the same name too frequently in case he was being watched. What he did not know was that nobody was watching. He booked the tickets via the internet, over the phone and at airline counters, so he varied his way of doing business. He used his friends' credit cards and then reimbursed them with cash, so there was no trace of him or his associates. When he was finally arrested at Perth airport with an associate, they seized more than $140,000 in cash and a significant quantity of methamphetamine. He also had a quantity of store credit cards, other credit cards and birth certificates. He had previous serious drug charges. The lack of formality at the airport actually facilitated his business quite nicely. There was nothing stopping him; there was nothing in his way at all.

I have another two examples that are not on your handout. There was a convicted female drug trafficker who, after she was released to freedom, had flights from Perth to Melbourne and return—not in her name but in a variety of names. She flew every seven to 10 days in a seven-month period. Every time she came back she brought 10 ounces of methamphetamine which had a street value estimated at $120,000. She made 17 flights. In that time she contributed over $2 million to the Australian economy. She was virtually untraceable. The difficulties that WA police have in getting information from the airlines prohibits investigations, because there are no people on the ground in administrative roles. Police have to use the fax machine to fax warrants to either Sydney or Brisbane and they can be very slow to react. In this case, every time they asked for information, the airline either failed to respond at all or responded 24 hours after her flight, so they could not intercept her. As to flying with a false name, Mark will probably speak a little bit later about how difficult that is in terms of warrants.

The second example I want to give you is of a light plane that flew from Perth to the border of South Australia. It was not a domestic aircraft per se, but it gives you an idea of both the lengths that people will go to and the illicit drug market. The plane flew from Perth, from Jandakot

Airport, to a town near the border of South Australia and each time had a different male passenger in the plane who did not fly back. No return flights were lodged for him and, despite repeated attempts from the local airport on the edge of South Australia, the pilot refused to lodge any requests for landing plans. The plane was coming and going as required. It is presumed that the male passenger then scuttled across the border and headed east to bring back more drugs. It is a burgeoning market in Western Australia.

Senator PARRY—With that example, what is the significance of the male passenger flying by that method rather than by a commercial flight?

Ms Plumb—They are totally untraceable.

Senator PARRY—What about return?

Ms Plumb—I do not know how he returned.

Det. Supt Carver—In the same manner that they came over in the first place. I believe that for light planes travelling to and across Australia it is just a matter of putting in your flight plans. But if they do not put in their flight plans and they turn up at an airport or an airstrip somewhere it is a bit unusual but, once they are there, they fill up and keep going.

Mr HAYES—Civil aviation do have that requirement. Do the police actually pursue civil aviation?

Det. Supt Carver—They do.

Mr HAYES—I find it a bit extraordinary that pilots can do that repeatedly. Over in the east I think you would lose your licence for failing to comply, so I imagine it is the same here.

Ms Plumb—When the pilot refilled or was paid for the avgas with cash, which is another unusual finding—

Det. Supt Carver—The actual person was caught up with at Jandakot Airport in relation to that matter, due to the diligence of people who were observing this happening. That was part and parcel of why he got caught in the first place—the fact that they had gone backwards and forwards about six times.

Senator PARRY—The plane went over with a male passenger and never returned with any passenger?

Det. Supt Carver—That is right.

Senator PARRY—So you do not know that they were coming back into the state? We assume they were, but you do not know?

Det. Supt Carver—We do not know.

Senator PARRY—By what method do you suspect they were coming back into the state—the same method but on a different plane that was undetected?

Ms Plumb—Could be.

Det. Supt Carver—Could be.

Senator PARRY—So the manifest issue of planes is really irrelevant?

Det. Supt Carver—When you are talking about a plane you are not talking about people on it and how many people are on or off at any particular time? You need a pilot. There is nothing to say that that pilot is the same pilot who took off in Victoria, for example, and flew to Western Australia. It could be a different pilot.

Ms Plumb—It is just under the radar and very hard to trace. The findings of the study that I completed found 10 important factors that facilitated this. The factors were initially identified by senior Western Australian police officers and detectives, which is their tacit knowledge. It is stuff they all know that goes on. The findings were: the use of false travel identities was linked to domestic airline passengers and was a very large barrier to investigations. The findings were confirmed in the case studies. They were also confirmed by senior operational detectives and police officers and three independent aviation security professionals. I assembled a validation group and, as I proceeded through the research and found something out, I would put it to the validation group and say, 'Is this correct?' Most of it was. A couple of times, they said, 'That's not quite right.' The findings of the study were that criminals linked to serious and organised crime use false identities to avoid detection. It is hardly rocket science, but it has not been documented before. Therefore, the accuracy of the flight manifests held by domestic airlines must be questioned.

The Commonwealth Privacy Act restricts information sharing without a warrant and, as I mentioned before, we have no real-time people to check in with to obtain information. There is no legislation that requires domestic airline passengers to authenticate their identity, so the airlines will not do it. There is no requirement for them, so they simply do not. Time is money in the aviation industry.

Mr HAYES—For international passengers they do not do it either, so government departments—

Ms Plumb—That is correct.

Mr HAYES—I am not sure that WAPOL will be wanting their officers overseeing that directly either.

Ms Plumb—Yes, I agree with you. I am not saying that airlines should do it; it is just that they do not do it now. They do say on their websites that you are required to bring photographic identification with you to the airport, but they rarely ask for it. Some of the airlines have a sign up at the check-in desk that says, 'Please produce identification,' but I have tested it out and if you just go up there and talk to them then they do not ask for it. I have seen other passengers trying—

Mr HAYES—That is not really a security issue, that is just: 'Confirm you're Joe Bloggs; we're not here to check your identity.'

Ms Plumb—That is right, but they do not ask for it, and if you do not present it they do not ask for it either. I have seen passengers trying to present drivers' licences and being told, 'No, we don't need that; it's okay.' It is simply a commercial transaction, like buying a burger at Hungry Jack's; you do not have to provide ID for that. They have shareholders and they are conducting business.

Det. Supt Carver—I will cut in there. With investigations in relation to serious and organised crime, with international flights you have the ability to put PACE alerts on. Basically you are advising that these people are at the airport or are flying on this particular plane. There are provisions there for it to be checked off as they come through; they check in and they are on the manifest. We do not have a domestic PACE alert, so in a serious and organised crime investigation it is very difficult for us and the states and territories to get in front of the play. Firstly, if they are using false identification, they could still use false identification even under a new regime, but the thing is that, if we have PACE alerts and we know they are using those false names and we have access to those manifests, it makes it very much easier to get in front of the play as far as investigations are concerned.

Mr HAYES—Your situation is not exactly peculiar but is certainly something significant to Western Australia and probably the Northern Territory. In the eastern states you can gain access by road or train. Criminals are going to exploit any windows of opportunity to facilitate their trade.

Det. Supt Carver—Yes.

Ms Plumb—That is correct.

Mr HAYES—After all, they are in business, although coming from an illicit industry.

Det. Supt Carver—But even on the east coast—even if they are flying from Melbourne to Sydney and it is only an hour's flight—the fact that you could capture that information and know that these people are moving around means that those PACE alerts would be beneficial to all those states and territories in investigating serious and organised crime.

Senator FIELDING—I am certainly not suggesting that we do nothing, and I am not suggesting that we do something. The issue that I have is that, even if you had a requirement and the identity of people on domestic flights were known and the ID were more accurate and real, the alternative is to travel by road. In other words, they will then just go by road, so maybe, despite the cost of doing something, we are not really achieving anything. What is your view on that? If we devote all effort and resources to getting the ID correct, that would just squeeze the problem into road transport. Would that be true or not?

Det. Supt Carver—It would be a consequence. It is like the balloon theory: you push on the balloon and it pops out somewhere else. That is organised crime in its truest sense. The thing is that, from my point of view—if I could digress a little bit—in Western Australia we pay two to three times as much for drugs as any other state in Australia. You can buy one ounce of

amphetamine in Sydney for $6,000, and people over here will pay $16,000 for that same ounce of amphetamine. Therefore it is very lucrative for the organised crime groups to bring this commodity into Western Australia, and it is the same for all of the commodities: cocaine, heroin et cetera. At the moment it is a liquid border in relation to the airline industry for domestic flights. People are getting off these flights with two kilos strapped to their bodies and/or checking it in with their baggage, and money is going backwards and forwards, fuelling that market back to the eastern states.

What I am saying is that, if we could create a deterrent and try to inhibit that flow of drugs and money back and forth across the country, it would make it easier. Even if it reached the road, we would be able to move and look at the industry using road and rail. It would make it a lot easier. At the moment it is being transported quicker because airlines are being used. If we create a deterrent against that, our job would be a lot easier.

Ms Plumb—The most significant factor that this research identified was the lack of legislation requiring passengers to authenticate their identities. Domestic passenger identity legislation would assist in disrupting anonymous travel and disrupting organised crime and other criminal activity. It is consistent with the situational crime theory that I discussed earlier and it would assist both state and federal police investigations across Australia. Interestingly, it is standard international practice. I am sure the committee members have flown internationally and domestically within overseas countries where you simply cannot fly unless you authenticate your identity. So we are suggesting that we bring Australia up to the standard that is accepted overseas.

The 2010 data that I collected just a couple of months ago involved four cases with nine offenders. Fifteen aliases were used to travel and more than 150 false identities were ready to go. They were importing and exporting commercial quantities of controlled drugs and using false names, documents and credit cards. So we are talking about really big operations now. The range of charges across these cases included conspiring to traffic commercial quantities of controlled drugs, in excess of 500 fraud charges, possession and production of false travel documents, importing commercial quantities of border controlled drugs, possession of stolen property, dealing in the proceeds of crime and possession of counterfeit money. These are very serious charges. The case details are all mixed so that you cannot identify people—some of these cases are quite well known. One case had the potential proceeds of in excess of $40 million and I am told it could have been up to $100 million. They used domestic flights from Perth to Sydney and from Sydney to Melbourne using false names. Some of them operated in other states of Australia or other countries, or their organised crime group did. One of them was charged with transporting 44 kilos of ecstasy. The street values of the product range from $14 million to $24 million and the sentences that some of these people received were up to 25 years imprisonment. These people were exploiting the travel loop.

Nineteen of the 22 offenders that I looked at had proven connections to organised crime groups from couriering to very high level involvement. Organised crime has reportedly cost the Australian community $10 billion annually, but I doubt that that includes the trickle-down effect in terms of money that people and their families receive from Centrelink, their undereducation, their underemployment, the cost to housing, the cost to health and the cost to the community in general. Could situational crime prevention theory and its strategies be applied to reduce these opportunities? I ask whether we are serious about getting serious on drugs or do we just have a

number of boxes that we tick. We have drug strategies and alcohol strategies. If we want to get serious about it and reduce the harm that it does to the country and to the community, this would be a great way to put a stopper in it.

International passengers are an interesting topic. They can fly on domestic flights without producing any ID, because they are treated the same as you or me, as long as they book their travel in Australia. They can print off their boarding pass in Australia and then just present it at the desk—it does not matter who they are. They might train at a special training camp in Pakistan; fly with a couple of friends under real or false names into Sydney and stay a month, or a day or a couple of hours; and then jump on a flight to Perth, Melbourne, Adelaide or wherever. There are no checks done. They do not have to provide any ID. I have just tested that again with some visitors that I had from the US for a week. If they booked their travel in the US they have to provide ID, but if they book in Australia they just rock up to the check-in desk and print out their own boarding pass—it does not matter who they are.

We are hosting CHOGM next year in Perth. It is a Commonwealth event. Between 3,000 and 5,000 people are going to visit. There will be a thousand media. We are looking at 55 heads of state and their entourages, and VIP guests of the Prime Minister and the premiers, who are able to invite up to nine people each. We are going to have some really high-powered people here, but we may also have people who may want to take advantage of our very permeable aviation security to visit Australia during that time. Is this a concern for Australia's security for CHOGM?

I have some closing thoughts for you. The 9-11 terrorists were 19 domestic passengers—they flew on domestic aircraft. Some had recently arrived in the US. Even though the United States has its CAPS system, similar to the PACE alerts, which identified some of them, staff did not handle it that well and some were not picked up. They were al-Qaeda operatives who flew on four domestic flights and who used in excess of 350 false identities in the planning and commission of that crime. They took advantage of the permeable aviation security in the domestic sector in the US. They had studied it hard. We have similar systemic flaws in our domestic airflow in Australia, and the study that I did certainly highlighted the serious link between organised crime and the use of false identities for domestic passengers.

I have some recommendations that are on a separate sheet from the study. Commonwealth legislation should be introduced that requires domestic airline passengers to authenticate their identity or they simply forfeit the right to fly. Along with that, domestic flight manifests should be made available to state police. They are made available to the AFP but state police do not get them. That should be done in the same sharing manner as telcos and internet service providers, who provide information when police need information. I am not saying that every flight manifest should be sent to police as a matter of course, every day of every week, but when requested they should be made available. E-baggage check-in is a serious problem and we recommend that it cease. Sterile boarding environments need to be looked at and considered, rather than a sterile concourse, which is not sterile at all and which just facilitates the flow of illicit drugs. Background checking of contractors—Mark will speak to that. And we recommend the airline beneficiary schemes be tightened up so that they are not for sale or transfer, so that they are used by the person who actually works for the airline.

CHAIR—Thank you, Ms Plumb. Superintendent Carver, would you like to go in-camera now?

Det. Supt Carver—I will hand over to Mark at this stage. Mark will go through his part and then we will finish off.

Mr Padget—I have some general comments. I have been working in the tactical intelligence field for the past 20 years. I will try and keep this quite general. I can only support what Maggie is saying. We have difficulty at times in accessing, in the case of airlines, domestic passenger manifests to enable us to scrutinise and review who is on those flights by false names et cetera. We do not have, as Superintendent Carver has already said, the opportunity to do domestic travel alerts, and we have not even gone down the path of remote airstrips in regional WA, which are many and varied and are in various states of activity and scrutiny. I see some flaws in the ASIC and MSIC cards which are quite evident in that we have quite a few criminal associates and members of criminal syndicates—bikie gangs and the like—who hold these passes. That gives them access behind airside—it gives them access marine-side as well. So there are concerns for us there with pick-ups and drop-offs. I speak from experience, and we have that documented.

Mr HAYES—That is an entirely different area, and I will go to that when you are finished. But, ASICs and MSICs having primarily been introduced in terms of counterterrorism, you are now raising them in relation to serious organised crime—

Mr Padget—My expertise is obviously not within the terrorism area or the security area; it is in the criminal intelligence area. But yes, absolutely, and that assists us on the criminal side of things though not necessarily on the terrorist side of things. I did want to make one comment, which is ancillary to all this, about the private security industry and some of the things we have come across in terms of subcontracting at, say, domestic airports for screening and that type of thing. One of the subcontracting issues that we came across was the ability of, say, the major contractor to devolve parts of his contract obligations to a subcontractor while not passing on the obligations of his original contract. There is some blurring of the lines in terms of levels of service and levels of commitment to what level they screen, what training they have and even down to the types of people that have the ability to hold a security agent's licence.

That probably the branches into another area that is outside maritime and aviation, but it also affects them in that each state and territory jurisdiction has different levels of scrutiny and clearance for private security. In terms of standardisation, I think the Commonwealth should probably look into having a controlling body for the private security industry, because it does have a massive effect. At CHOGM next year licensed security agents, licensed security guards, crowd controllers and so on will be employed. Not all of them will come from this state; there will be some from other jurisdictions too. We probably need to look at levels of scrutiny and how they are viewed as well as licences granted and so on. So that is probably about all I want to say. I hand you back to Mr Carver.

Det. Supt Carver—If you would indulge me briefly, gentlemen, I will read out some comments which were made by the UNODC. I do not know if you are aware of the work of the UNODC. They say:

Organized crime has diversified, gone global and reached macro-economic proportions: illicit goods are sourced from one continent, trafficked across another, and marketed in a third. Mafias are today truly a transnational problem … fuelling corruption, infiltrating business and politics, and empowering those who operate outside the law …

Because of our vibrant economy in Western Australia we are a target for these organised criminal syndicates, gangs and groups to traffic their drugs across to this state, and we pay top dollar for it. The reason we are so concerned about the aviation industry is that those drugs are coming through on the domestic side. That is why we are here today—to bring our concerns to the table and to say that that is fuelling the drug problem in this state. In this state we have had a significant increase of some 511 per cent in methamphetamine laboratories in the last two years. That has been fuelled by the price of the methamphetamine itself. For the average addict over here the price is too high for them to be able to buy it themselves, so they start making it themselves. That has caused problems for us.

Serious organised crime is not particularly well understood and, whilst there is an implied meaning, most people would have a varied appreciation of what it is based mainly on what they see in movies and on television. There is no precise definition of organised crime and no absolute list of crimes; in fact, a characteristic of serious organised crime is its ability to adapt, moving to new and emerging forms of crime in response to the barriers put before it. One of those is obviously the domestic airlines side, which is what we are talking about today, and I am saying they have moved past that—they are using that as a tool to profit from the drugs they are moving between states. The organised crime groups do take advantage of legislation and of the regulatory flaws, for want of a better word, to move drugs across the country—and that, I suggest, is what they are doing now.

Principally, the actual driver of organised crime is wealth. However, there have been links to terrorism in the past. You only have to look at al-Qaeda. That was fuelled by organised crime funding through Afghanistan, through the heroin trade. The money was going back to and ended up coming back into—and 9/11 was the consequence. You only have to look closer to our borders in relation to Indonesia. You had the Bali incidents and also at Jakarta they were using drugs and also armed robberies to fuel their activities—organised crime again. It is my view that the link between that and organised crime is closer than what a lot of people think. I know that a lot of the other things that have been put in place in relation to terrorism concentrate on terrorism, but I believe that there is a closer link even more today than there has been in relation to serious and organised crime. They are getting closer and closer every year that goes by.

As I said before, the economic power of the country is more attractive for organised crime. That is what Western Australia is at the moment. With our mining boom we have so-called cashed-up bogans that are in the sort of 25-year age group. They have got a lot of disposable income and therefore fuel the drugs that are coming from the Eastern States—cocaine and methamphetamine.

CHAIR—We were in Amsterdam last year and went and looked at one of the plants. We were told, and my colleagues can correct me if I am wrong, that an ecstasy pill goes for about $5 to $8 there. But on the east coast of Australia it goes for about $35 to $40. What do they pay here?

Det. Supt Carver—Fifty dollars. In relation to that, they are becoming even more sophisticated in the Eastern States. They take advantage of us because the drug dealers and people who are trafficking the drugs across this state are now getting to the stage of producing pills that are supposed to be MDMA or ecstasy but are, in actual fact, up to six per cent methamphetamine. People are out there in the nightlife scene, a scene where it is socially acceptable to take drugs, are actually becoming methamphetamine addicts simply by virtue of

the fact that they are taking drugs and they do not know what is in them. It is methamphetamine and it is putting them into a danger zone. So it is of concern right around.

Maggie has pointed out that it has cost us about $10 billion conservatively—probably $15 billion—every year in relation to the drugs, let alone the social cost. I can only comment on our particular issues. We have had 46 kilos of methamphetamine and ecstasy seized this year alone. That would probably be in the realm, and I will be conservative here, of about 10 per cent of what is actually coming into the state. We have had a massive increase in cocaine coming across to WA, more so than what we have had before. You have only to look at the seizures in the Eastern States, at the cocaine that is being seized over there. Australia in general is a lucrative economy for these people, these cartels, to bring their drugs into this country. That is a worrying sign. On that note, are there any questions?

CHAIR—Do you want to go in camera?

Det. Supt Carver—I could probably leave it there. I could supply some examples to your group, if you would like, at a later date and I am sure that we could assist with some of the examples there. I think if we could leave the in camera that would suffice, otherwise I could be here for a couple of hours and I do not want to waste everyone's time.

CHAIR—Thank you very much.

Ms Plumb—If I may make one more point in terms of the study that I did. It was looking at how the lack of authenticated identity facilitated organised crime. That is certainly an issue for the Australian Crime Commission and state jurisdictional police. However, it is not just an organised crime issue. It is a general safety issue because there is a very big link between organised crime and terrorism and we do not know who is flying where once people come into the country. That is a grave concern. As for the safety of the nation, we have been lucky in terms of aviation security and in terms of no domestic airline crashes; we have been extremely lucky in that trend.

There was a case in 2007 at Perth Airport where a person was arrested for carrying a glass bottle of a liquid precursor chemical that he was trafficking across to Perth to make up some of his own home-bake whatever. That was a sealed bottle. If he had got cold feet and perhaps tipped the liquid down the toilet and decided not to come through security with it, or the seal had broken, that liquid would have been toxic at one part per million of oxygen—so we are talking here about a whole plane crashing. If the seal had broken or he had decided to empty it into the toilet, everyone would have died. We are not just trying to encourage you to introduce some legislation so our jobs are easier; there is a real security issue here. Given the drug market, as Charlie alluded to, these are serious issues that we are looking at. The safety of the nation could be at stake. We are way behind other countries in terms of domestic aviation security and it would be nice to bring us up-to-date.

Mr Padget—Gentlemen, could I draw one parallel for you. I work extensively with telecommunications data. We have a legislative framework that allows us to obtain subscriber details—call-charge records of persons we are targeting et cetera. We do not have the ability to enforce that upon the domestic airline front without a warrant, but it would be handy if we had a similar arrangement and legislation to be able to quickly and easily search flight manifests et

cetera. Surely that is a reasonably quick fix and something that would aid us quite extensively. I just want to draw that parallel for you between telecommunications data and airline travel.

Ms Plumb—Did you want to raise what you actually need to put on that warrant—all the fictitious names?

Det. Supt Carver—Yes. In relation to warrants, it borders on the ridiculous. When you produce the warrant you have to produce the names of the persons or the supposed names, the alias names, that they might use—how long is a piece of string! It is more about commercial interests than it is about the safety and security of Australian citizens. I believe that, as Mark said, maybe we should bring them into line as part of the licence to operate. That would not be too much of an impost. I do not believe it would be too much of an impost to bring passengers into a sterile environment in domestic passenger terminals either—so only people who were actually going onto the plane would be going through the gate, and the other people would stay on the domestic side. That way, you would have a funnelling effect at the gatekeeper.

CHAIR—Mr Padget, let me run this scenario past you. There is a fellow who works on the waterfront in Sydney. He has no criminal record but he is the godfather of one of the biggest drug dealers in the port of Sydney. How should we treat him in terms of having an MSIC or ASIC?

Mr Padget—There is a potential to use criminal intelligence in the review—

CHAIR—My view is that all roads lead to Rome, but do WA Police have a view? You specifically mentioned bikies working on the port and at the airport who are known and probably have criminal convictions—even drug convictions—but are still working there. They may come under the radar because they are working for contractors, whether for security or for one of the catering firms, as we saw in Sydney a few months ago.

Mr Padget—My understanding is that we cannot use confidential police holdings, such as criminal intelligence, given its very nature—which is sometimes rumour, innuendo et cetera.

CHAIR—There are seven grades, are there not?

Mr Padget—Six grades.

CHAIR—Do WA Police have a view that they should be able to use that to deny someone—

Mr Padget—I think we should at least be considering the use of that information, and I wrote some notes down as we were talking. One of the biggest things is the use of the innocent party in transactions such as that—the use of people who, to all appearances, are like you or me but have associations which are nefarious and potentially vulnerable. Perhaps it is something we could consider using—through due assessment and veracity of that information—to prevent them from having access to those secure areas.

I know WAPOL have done it in another area through prohibition orders from licensed premises. We use confidential police holdings which are not disclosed to the applicant; they are

held in camera. We use that to bar persons from those premises. Perhaps we could use that sort of initiatives in those wharf and aviation environments.

CHAIR—Take a young man in Sydney who attended a radical mosque in Lakemba that preached hate against the West, ASIO would pick him up but he is not going to get an opportunity to work at an airport but he might be able to work on a port.

Mr Padget—There is quite a distinction between criminal intelligence and terrorist related matters as well.

CHAIR—Just because you might hate the West does not mean you are going to blow up a plane.

Mr Padget—No, individual assessment is the criteria. There is a difference. You cannot choose your family but being an associate of a criminal and using that association to facilitate criminal activity is different.

CHAIR—In his report on federal policing capabilities, Roger Beale recommended that the AFP should take over airport security because the unified policing model is not working. Do you agree with that assessment?

Det. Supt Carver—In relation to airports in general, I have two views. Whether it is federal or state, I believe that security should be upgraded. Whatever arrangements are worked out between the states, the territories and the Commonwealth is up to parliamentarians and other people. A good start would be to increase security at domestic airports.

Ms Plumb—I cannot join my local library without photographic ID. Even our nightclubs now, I believe—though I have not been to one for quite some time—

CHAIR—Come on!

Ms Plumb—No, it is true; but there is always tonight.

CHAIR—You would be Senator Parry's friend.

Ms Plumb—They have metal detectors, fingerprint scanning—

Mr Padget—Photo ID.

Ms Plumb—Yes. You can get in quite quickly now. But buying an airline ticket and boarding domestic flights is easy, not a problem.

Det. Supt Carver—Just to add to that, I have been to a few nightclubs lately. You produce your ID, your licence with a photo on it, and it is scanned. The reason they do that is to do with the assaults and other issues that occur in the nightclubs and the pubs. That way they identify you and the time you arrive. It is scanned right there and downloaded. You have to do that to get in; otherwise you do not get in. It is something that could be looked at in relation to airports.

Senator PARRY—The committee experienced photo identification in Darwin a few months ago. As you say, you can do that for a nightclub, but airlines do not require it. I agree with all of the recommendations. I think they are very good and sound recommendations, and things we have now addressed our minds to. In relation to the cessation of e-baggage check-in, can you talk me through the difficulties with e-baggage and where you see the dangers there? This is fighting with commercial interests, big time.

Det. Supt Carver—Correct. It is all about the movement of passengers and baggage and the speed of that movement. From my point of view that would probably only be there for as long as the planes keep flying in the sky. One elephant and it is all over. The baggage going through is a big security risk.

Senator PARRY—I know how the system works, but can you tell me the difference between a bag that I personally check-in and a bag that is not checked in by staff? Forget what happens after it goes behind the counter.

Det. Supt Carver—The check-in itself is a risk because you have people hitting the button to print their baggage labels. For example, someone who is not very good with computers—perhaps an elderly gentleman or lady—will hit it a couple of times. I did it the other day just to see if it would work and, yes, I printed off three different baggage labels. I only needed one and that left two baggage labels. It would not take much for someone to come and grab one of those baggage labels and just walk across and drop it on because it is all part of that process. It needs to be tightened up in my view.

Senator PARRY—That could still happen, and when they fail to board the baggage is removed for that reason. You are saying: this is a bag that could get through with a passenger. It is not that passenger's bag, and that person does not know it is their bag.

Det. Supt Carver—If I was a drug dealer, I would put my bag to the side, wait for one of these labels, wrap it on and put it on. That is a second bag for Mr Smith—he is only looking for one; it is his own bag as he gets off the other end. I just ring my counterpart in the other state and say, 'The baggage is on. It's coming in at three o'clock,' and he is standing at the carousel, picks it up and off he goes. That goes in relation to money, because we have had hundreds of thousands of dollars go out of this state in baggage. We are looking for terrorist type explosives, which is great in the CT environment. We are not looking for money, the hundreds and thousands of dollars that are leaving the state. We are not looking for drugs that are strapped to passengers. We are not really looking for drugs in bags either. If you are talking methamphetamine, heroin and cocaine, it is there. It does not come up as an explosive.

Senator PARRY—So it is the opportunistic aspect of a spare tag, a second tag. In relation to the manifests: I think it is a serious issue that state police cannot get manifests. Federal Police get manifests at any time they want from airports. If a protocol was set up so that you could apply through the AFP local commander to grab a manifest at any stage, would that assist?

Det. Supt Carver—It would. It is the timeliness of it. It is a very quick moving type thing and it is a timing issue. In relation to a lot of these airlines' computer systems, they will not give you the manifests until the flight has left and arrived at the other place, and—

Senator PARRY—Which is too late.

Det. Supt Carver—hours later it gets downloaded and sent back. It is too late.

Senator PARRY—What about in a case of hot pursuit? Does your legislative jurisdiction cease at the airport terminal boundary?

Det. Supt Carver—We have the extraterritorial offences act and, depending on the actual offence, in hot pursuit. It could be an issue—

Senator PARRY—In theory, you could be following someone through an airport, to the gate lounge. Could you then demand to see a manifest at the gate lounge?

Det. Supt Carver—I think you could try that. Whether you get that actual manifest would be another story, but I would be pushing to go through those loops. For example, a very publicised murderer a few months ago ended up in Queensland from Western Australia and it was all over the papers in relation to Puddy and Mansell. I would be pushing to get that manifest straight off.

Senator PARRY—Thank you very much. I have got a few more questions but I will go to my colleagues now.

Senator FIELDING—I was interested in domestic airline passengers authenticating their identity. Which other countries do you know of that do that?

Ms Plumb—I believe the UK does. In the literature review I did, I found evidence in the UK and some European countries. Certainly the US does. I stayed in the US for six weeks earlier this year and I could not get a bus—

Senator FIELDING—That is fine; that is good enough. When was that roughly introduced and have there been results—in other words, has it just pushed the problem somewhere else or are they getting better results through stopping or intervening in serious organised crime? I am just interested to know—in other words, they started it on a certain date; what have the results been? Has it just pushed the problem somewhere else?

Det. Supt Carver—I am sure that there would have been studies, Mr Fielding. In relation to that, I have not got any personal knowledge but I am sure someone could do the research on that and get back to you.

Senator FIELDING—The important question is to find out when they started doing it—

Ms Plumb—We know about crime displacement. You put in some legislation to stop something and it will just hop across to the next postcode, the next area or into another context. It is possible but in terms of aviation it is the big-ticket item in Australia.

Senator FIELDING—The next thing I want to ask your opinion on is domestic luggage. What sort of extra checks can be done? I have—sorry about this—this pet project: I think we should be using more dogs to detect not only drugs but money and other things. Do you think that would be a wise investment for Australia? I know it is a hard question—it is a subjective

question—but I believe that we should be using a lot more dogs at random to check domestic luggage. I want to get your thoughts on that issue.

Det. Supt Carver—Music to my ears, Senator. I absolutely agree—100 per cent. I have put in submissions to put some operations in place and target specifically planes coming from Sydney and Melbourne, and leaving Perth to go to those particular locations, with drug dogs and also money dogs so that we can randomly intercept and basically distract and dismantle some of the activities that are going through the airports.

Senator FIELDING—So random checking is a key deterrent sometimes for these things—

Det. Supt Carver—It would be a key deterrent.

Senator FIELDING—not only at these airports but at the other airports, if there were randoms done there as well.

Det. Supt Carver—Absolutely. There is another issue in relation to trains, which we could go into. We had 14 kilos of BZP come off a train, the Indian Pacific, in Perth last year. They use different modes of transport, and that is lax as well. Dogs would be very useful in relation to trains, planes and automobiles.

Senator FIELDING—Thank you for that. I could ask a lot more questions, but I am very mindful of the time. I have two more questions in different areas.

Ms Plumb—I have a quick comment about random testing and putting dogs out randomly. What we know theoretically about situational crime prevention is that, if you advertise what the layers of security are, people say, 'God, I can't get through that. I can't do that.' If it is a surprise you will actually intercept, but if it is advertised and overt you will reduce the opportunities, and people say, 'This is too hard. I'll steal a car instead.'

Senator FIELDING—Mr Padget, could you provide more detailed information on the ASIC and MSIC cards? You raised, I think, some serious issues there. I think we may be aware of them but, rather than just assuming that I know the detail, I would prefer that you provide, in confidence, in camera or wherever, your specific concerns and suggested thoughts and recommendations on overcoming them. It is a serious issue that you have raised, and we have heard this before. We have got thoughts on it, I think, but I would like to get your thoughts while they are raised today, and it may take too long to go through it now. Does that make sense? I would like your considered thoughts, maybe a written paper or something.

Mr Padget—I can do a written paper for you—no problems at all. Some of it will hinge off what the ACC gathered during their crime in the transport sector determination, which was really valuable work. It was disseminated to WAPOL. We have certainly got some case studies there that can highlight to you the individuals that are in those environments now.

Senator FIELDING—Thank you. I think a specific paper from you would be useful. That is my opinion.

Det. Supt Carver—That would probably include the other example, which I used before, with the advantages of the staff discounts and travel arrangements.

Senator FIELDING—Is there any other way of doing authentication of identity at domestic airlines? I know privacy comes into it around photos. As you walk through some airports internationally, they have got a camera checking whether you have flu. I am interested to hear thoughts around the idea of having rolling footage where people have to look up as they go. Is it an easier way of not slowing things down to have a requirement that people look as they go through? That way you have maybe got some way of doing some other checking. Or is technology not that advanced?

Ms Plumb—As long as the area is secure in terms of a sterile boarding. You can look at as many cameras as you like, but if you swap your boarding pass in the toilets upstairs and one of our well-known organised criminals flies instead of you it does not make any difference. I think we need to look at the problem of authenticating IDs in two ways somehow, either through some drivers licence or, as we talked about, in terms of biometrics, and make their boarding environment sterile so that things cannot be swapped after that.

Det. Supt Carver—I see a quick fix in relation to that. We talked about the nightclubs. If there was a sterile environment, a sterile corridor, that a person could go to and scan their ID at the same time as they get their boarding pass, that person could go through fine. But if they have got a false identification it would be picked up at the other end and we would also get on top of who is actually using false IDs. We would have a photo of the person as well. That would solve a lot of problems.

CHAIR—You may recall the Hawke government tried to introduce a national ID card but some people did not support it.

Mr HAYES—I was going to raise the Australia card. It is probably a panacea! Ms Plumb, have you had the opportunity to present your views to the Office of Transport Security?

Ms Plumb—No, I have not.

Mr HAYES—I guess one of the things that you will always have to grapple with is that you can make all sorts of laws out there but you cannot compel people to act legally. I know, from when we travelled in the United States, that they require passports for domestic transport. Is that really what you are looking at? There are differences between drivers licences in Sydney and elsewhere—different criteria apply. Other than what Senator Hutchins was saying about an Australia card, how can we get consistency? A crim is a crim, and if the object when travelling is to go with forged documents, clearly that is what they do now and that is what they will do.

Ms Plumb—In terms of how you would operationalise it and roll it out, I do not have the detail. There are issues about how you deal with children and young people, as well. Not everyone has a drivers licence and not everyone has a passport. It is probably someone else's study to look at how you do it. I have come up with a problem and part of the solution but how you do it I am not too sure.

Mr HAYES—It is not a solution that would prevent you from travelling; it is making the job of police, in detecting, a little easier. Part of the solution—I think Wheeler comes to this view—is: okay, the in-flight policing model is not working very well; maybe federal cops should be running all the precinct of the airport.

Ms Plumb—Yes, maybe.

Mr HAYES—Joint operations would probably overcome many of the problems you are suggesting the timing and delivery of manifests.

Det. Supt Carver—We are currently working on dual operations across Australia. I am working with many other states and territories as we speak, but we need to get our act into gear as well. Nationally we are starting to get our police forces singing from the same hymn book.

Det. Supt Carver—I suggest what you are telling us about is just another strategy to disrupt the trade in drugs or whatever illicit activity it is—just making it harder for people use other methods to achieve their ends.

Ms Plumb—Yes.

Det. Supt Carver—So you would have a sterile boarding environment not just going on to the aircraft but also going off—when you collect your bags—as well. Is that right?

Ms Plumb—Yes.

Mr HAYES—So when you walk onto the airport mum and dad wave good bye and that's it; that is as far as they go.

Det. Supt Carver—Absolutely.

Mr HAYES—There would be no special exemptions. There is none at international airports.

Det. Supt Carver—No.

Ms Plumb—No.

Mr HAYES—The airline beneficiaries scheme is particularly referring to domestic airline travel?

Det. Supt Carver—It is domestic and it is international. However, I could not see them selling and handing over the international side of things but on the airside, the baggage handlers and other people involved in that industry, have their entitlements.

CHAIR—So with the identity check, if you had the sterile environment you would not be able to pass your boarding pass to someone else, because they would have to get in there by another means. When we were with the Federal Airports Corporation in Sydney we were able to go onto the international side. I do not know whether you have been to Sydney international airport lately; it is a shopping mall. They said it was a shopping mall because of the price of airline

tickets. I do not know how you can put a bum in a seat and fly it that far and try to make a profit. So they have had to outsource, from McDonald's to other outlets. They were talking about having to cross-subsidise the tickets. Have you had any opportunity to talk to any of the airline companies about your views when you were doing your enquiry, Ms Plumb? Did they have views? I would say that that would resist pretty strongly this sort of thing happening. You only have to go to Sydney airport or Perth to see that those shops are not in the area where you book in; they are inside when you go through the security.

Ms Plumb—The airlines declined to participate. In the validation group I had two aviation security professionals from different domestic airlines, and they were off the record. Their names were not used at all. They basically said time is money and the airlines will not go for this at all. That was at the time they were introducing the self-serve kiosk, where you check in yourself. The reason for that was to reduce their staff requirement, and the self-drop baggage is the same kind of thing.

CHAIR—Mr Carver, as you would know from that UNODC report, one of the things they record is the growth of identity crime, cyber crime. The committee went to England and I got a phone call a few weeks later to tell me that someone had taken $4,000 out of my credit card. I got skinned, or scammed, while I was over there. Three of the five members of the delegation got scammed. What can we do with this growth in identity crime? It is a serious international problem.

Det. Supt Carver—The same thing we are doing at the moment. We have actually had some good successes, in Western Australia in particular, in relation to identity crime. We are on the front foot in relation to a lot of the stuff they are doing. You might be aware that they did come into New South Wales and Western Australia, and McDonald's got stung to the tune of some $6 million. They just swapped over the actual card readers. A lot of businesses are now getting in tune with that, and we are getting ahead of the play. It is a matter of working together with private enterprise to say that this is occurring, and we deter those people from doing what they are doing. We get ahead of the play; we are starting to attach devices with cords and locks so they cannot be substituted. We are well aware of what they are doing, and the merge between identity crime and organised crime and terrorism is coming closer and closer every year. As I said before, they become more and more closely linked. When you are talking certain countries like Sri Lanka and the Tamil Tigers and other people, it is very scary.

CHAIR—One matter that has come up during our inquiry is access to birth certificates and changing your name. As I recall it, there are different regimes in different states?

Det. Supt Carver—Different regimes, different states, different territories, different ways of doing things. Again, it comes down to the states and territories getting their act together to look at the serious effect these offences have right across Australia—in fact, around the world.

Senator FIELDING—Is this the issue where an individual can change their name by deed poll and their criminal history does not follow them to their new name? This is an issue I have raised for nearly three years in Senate estimates—though you do not need to know that part of it. Where is it at in WA?

Det. Supt Carver—I am not 100 per cent on where it is at at the moment. I can get back to you on that. It is an issue that has been raised in the past and it will probably come up again. Just moving states or even to countries like New Zealand and then changing your name by deed poll and coming back, you are almost like a new person.

Senator FIELDING—Can I ask that you provide what the problem is, what the potential risk is and where WA is at with it.

Det. Supt Carver—We can do that.

CHAIR—You might also suggest the solution; the remedy.

Det. Supt Carver—Solutions sometimes are very hard to come up with.

Senator FIELDING—One of the ones put forward is that by default your criminal history follows the name and only by court order, or exception, does it not. For example, for someone whose life is at risk through a domestic violence situation and changes their name legitimately, obviously a court order could immediately say that theirs does not link back. There have to be exceptional circumstances. At the moment, by default, it does not follow, for those reasons, which is ridiculous.

Det. Supt Carver—Protection of witnesses is the other one I can cite in relation to that—trying to change their identity for their own safety.

Ms Plumb—I spoke to the superintendent of the major fraud squad just a couple of months ago while I was trying to gather data. The study that I have done and the recommendations I have made are not generally going to assist their investigations because the people there looking at come in with 50, 60 or 70 identities and new credit cards they have just made—identities, passports, drivers' licences. So simply introducing legislation regarding domestic airline passengers is not going to halt that flow because they have got bags of identities. They also discussed a case with me where the perpetrator used a New South Wales driver's licence in WA as identity, but it was not an authentic one; it was manufactured in WA. Obviously the person they showed it to was not familiar with what a New South Wales driver's licence looked like and so accepted it. There was a big fraud involved in that. So perhaps we are looking at some Commonwealth legislation and Commonwealth identity.

CHAIR—Mr Padget, you mentioned contractors' backgrounds and so did you, Ms Plumb. Would it make it easier if a number of these people were direct employees of either the airlines or the airport corporation or a body at the airport? Would that make verification of their identity much easier to do?

Mr Padget—The key is the validation and verification of the individual and screening process associated with that.

CHAIR—So in the opinion of the police that would be the case?

Mr Padget—That would certainly be my opinion, because the devolution or the subcontracting of the initial contract is where the obligations get watered down. There is no

scrutiny by the original contractor of those people coming in as subcontractors, if you know what I mean. So it is one or two degrees removed. If you have an unscrupulous operator who just meets the minimum and does not meet, say, the requirements of the original contractor, that is where there are problems.

Senator FIELDING—I thought the submission that we got was quite informative and I appreciate the information that was provided. I have a statement here from the Office of Commissioner of Police, on page 2:

A streamlined, accountable process of accessing National intelligence holdings would further benefit frontline serious and organised crime investigators.

Could you provide something in writing—as we do not have time now to go through it—that would be quite useful because that was quite a statement.

Det. Supt Carver—That is a work in progress through ANZPAA and also in relation to CrimTrac. We are working very closely with our other agencies to work through those issues because it is bigger than all the states.

Senator FIELDING—I think we are aware of it. I just thought I would get your perspective of it if I could.

CHAIR—Thank you for your evidence. It has been very helpful and information and we certainly will not be ignoring it in the compilation of our report.

Committee adjourned at 10.43 am