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Board of Airline
Representatives
of Australia Inc

16 January 2015

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee,

Airport and aviation security

The Board of Airline Representatives of Australia (BARA) welcomes the opportunity to provide a submission to the Rural and Regional Affairs and Transport References Committee's review of airport and aviation security. BARA's submission covers the size and importance of international aviation to Australia, and supports sound and effective security requirements, and aviation security resources, at Australia's major international airports.

As background, BARA is the industry body that promotes the safe and efficient operations of international airlines serving Australia for the benefit of consumers, businesses and tourism. BARA's members include many of the world's largest airlines, and provide 90% of all international passenger flights to and from Australia. An overview of BARA and its work is contained in its *Vision and Outcomes for International Aviation in Australia*, available at www.bara.org.au.

In summary, BARA considers the Office of Transport Security (OTS) has consulted industry proficiently in developing risk-based and intelligence driven aviation security requirements. BARA will continue to support the current arrangements by contributing considered responses and information from its internal working group and experienced Aviation Security Advisor.

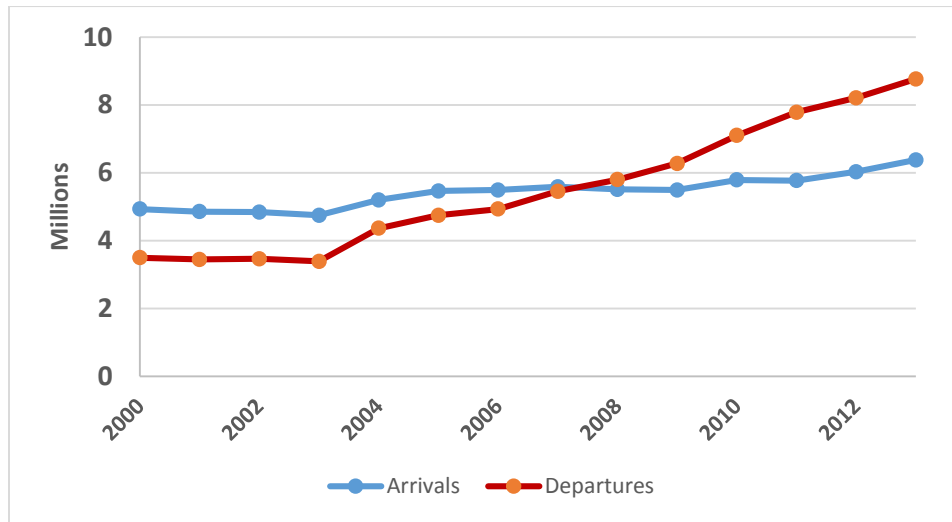
Size and contribution of Australia's international aviation

International aviation has experienced tremendous growth in Australia since 2000. Data from the Australian Bureau of Statistics (ABS) for short-term international arrivals and departures show an average annual increase of 4.6% since 2000. This is well above the 3% average growth in Australia's gross domestic product (GDP) over the same period (see Figure 1 on the following page).

Australians are embracing the opportunity to travel overseas for holiday and business. Australia is a multicultural society, and Australians increasingly travel overseas to visit family and friends. Travel for business has similarly contributed to the growth, further highlighting how the international aviation industry has connected Australia to the global economy and community.

The increasing number of international tourists that visit Australia contribute directly to Australia's tourist industry and Australian economy, valued at about \$25 billion a year and providing jobs for hundreds of thousands of Australians. International experience is that airports create 1,000 jobs for every million passengers, with most employment benefits being within the airport's local area.

Figure 1 International passenger trips - short-term departing and arriving



Source: Australian Bureau of Statistics; Note: The number of passenger 'movements' is about twice the number of passenger 'trips'.

Supporting sound and effective security requirements

The safety and security of Australia's international aviation remains the highest industry priority. The industry's long-term growth and prosperity will hinge on its ability to implement sound and effective security requirements and procedures. Yet it is important to recognise that no security system is infallible. What is necessary are institutional and governance structures that promote rigorous, risk-based and intelligence driven approaches to aviation security, which can adapt to changing circumstances. Effective consultation between all industry stakeholders must also underpin the development and implementation of sound security requirements.

As a general principle, BARA supports the harmonisation of Australia's security requirements with International Civil Aviation Organization (ICAO) recommendations and guidelines. BARA also notes, however, that in some instances Australia's individual circumstances may require modifying how the recommendations or guidelines are applied.

To help contribute responses and information to the continued development and implementation of Australia's security requirements, BARA has an internal working group with representatives from the majority of its member airlines. BARA also has an Aviation Security Adviser, who helps member airlines implement security requirements while also supporting BARA's contributions to the development of security legislation and regulations.

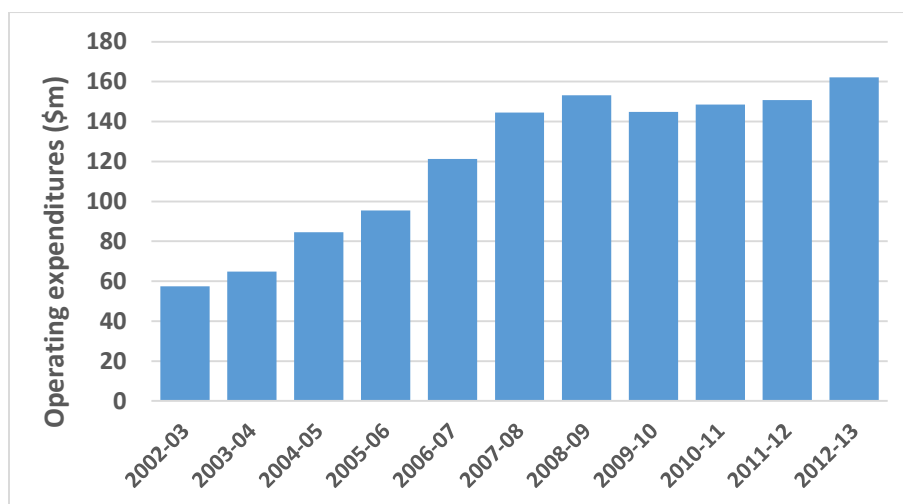
OTS has developed effective consultative processes that allow for the careful assessment of issues and provide opportunities for industry to contribute. The Aviation Security Advisory Forum (ASAF) provides a structured and consultative approach to reviewing and implementing aviation security requirements in Australia. Its approach to consultation gives the industry confidence that security requirements and resources are being directed towards assessed security threats.

It is important the Australian Government continues to support OTS, and ensures it has the flexibility to review and recommend changes to existing security requirements that are consistent with changes to assessed security threats. In assessing likely and emerging threats, intelligence is obviously vital for informing the development and implementation of aviation security requirements. BARA also supports OTS' current review of Transport Security Programs, which provides an opportunity to remove unnecessary information duplication and, where possible, clarify and simplify regulatory obligations for international airlines.

Aviation security resources at Australia’s major international airports

The industry invests considerable resources in aviation security at Australia’s major international airports. Figure 2 below shows the annual operating expenses for airport security at Sydney, Melbourne, Brisbane and Perth Airports from 2002–03 to 2012–13. Over this period, operating expenses for security have increased almost three-fold in nominal terms to over \$160 million in 2012–13. These costs are ‘passed through’ by the airport operators to airlines through negotiated ‘safety and security’ charges.

Figure 2 Annual operating expenditures on airport security: Sydney, Melbourne, Brisbane and Perth Airports



Source: Derived from the Australian Competition and Consumer Commission’s 2012-13 Airport Monitoring Report.

It is also important to note these operating expenses only represent part of the total investment in security made by both the airport operators and international airlines. For example, the capital programs negotiated with the major international airports cover significant expenditure on security, including perimeter fencing, screening equipment and surveillance systems. These investments form part of the airport operator’s capital base, with the costs recouped through general airfield and terminal charges.

In outlaying operating and capital funds for security, the airport operators do consult the international airlines about the investments made and services provided. This provides further opportunities for consultation between the industry stakeholders in planning the delivery of security services at Australia’s international airports.

Yours sincerely

Barry Abrams
Executive Director