Ref No 45/1/14 (O15544)

12 July 2005

Mr Russell Chafter Committee Secretary Joint Committee of Public Accounts and Audit Parliament of Australia Parliament House CANBERRA ACT 2600

Dear Russell

Re: Review of Aviation Security in Australia

I refer to the Joint Statutory Committee on Public Accounts and Audit Inquiry into the Developments in Aviation Security since its June 2004 Report : Review of Aviation Security in Australia.

Please find attached the District Council of Grant's submission for consideration.

Yours faithfully,

Meato.

Russell J Peate

CHIEF EXECUTIVE OFFICER

RJP:mgm

Introduction

The District Council of Grant owns and operates the Mount Gambier and District Airport located in the South East of South Australia. In 2004/05 the number of passengers was 94,416, an increase of 16.4% above the previous year and a record number of passengers for the Airport.

As with all Regional Airports, the Mount Gambier and District Airport has undertaken a security audit and developed a security program in accordance with the Aviation Transport Security Act 2004 and the Department of Transport and Regional Services (DOTARS) requirements. Council has recently had funding of \$444,385 approved for Airport Security infrastructure.

a) Regulation of aviation security by the Commonwealth Department of Transport and Regional Services, and the Department's response to aviation security incidents since June 2004.

The Mount Gambier and District Airport recognises aviation security is necessary particularly for capital city airports in view of overseas events. Notwithstanding this, the Airport and Council believe that all costs associated with airport security capital requirements both now and in the future should be fully borne by the Commonwealth Government in recognition of the service being provided to the public.

b) Compliance with Commonwealth security requirements by airport operators at major and regional airports.

The Mount Gambier and District Airport has complied with the relevant Acts and DOTARS requirements in relation to Airport Security. It is considered that aviation security has not been based on any Commonwealth Risk Assessment, but in the case of the Mount Gambier Airport declared 'Security Controlled' on the basis of the Regular Transport Services conducted to and from the Airport. The Mount Gambier and District Airport has never had a security incident to date.

Notwithstanding this, based on DOTARS requirements, a Risk Assessment was undertaken by the Airport Owners and a Security Program developed and approved. Whilst funding has been received, the Airport must accept ongoing responsibility for this infrastructure and its maintenance. It is considered that since the Commonwealth has requested Aviation Security Capital works to be undertaken, it should also fund the maintenance of these capital requirements on an ongoing basis. In addition, it is **strongly** pointed out that the Commonwealth should fund any future aviation security requirements without a cost impost on Airline passengers or airport owners.

e) Cost imposts of security upgrades, particularly for regional airports.

It is considered that the cost impact of security upgrades will be passed on to Airport users. Whilst passenger numbers through the Mount Gambier Airport are at record levels, any increases in passenger fares may lead to a decrease in patronage to the detriment of Airline operators and owners. Evidence indicates that over the last 20 years a number of regional and rural areas have lost airline services due to the inability of such Companies to continue to operate profitably. The District Council of Grant believes **strongly** that this must be taken into account and recognised as an important service for regional and rural Australia. Council and the Airport consider that National Aviation Security should be federally funded without a cost impost on Airport Operators or Airport Owners.

Council also considers that the Federal Government should continue to fund the Rapid Response Deployment Teams after 2008, as once again this is National Security requirement for the benefit of the Community.

h) procedures for, and security of, baggage handling operations at international, domestic and regional airports, by both airlines and airports.

The Mount Gambier and District Airport consider that baggage handling is an Airline operator issue and dealt with by them.