

The Parliament of the Commonwealth of Australia

FOOTPRINTS IN THE SAND

Inquiry into Civil Coastal Surveillance Co-ordination

Report by the House of Representatives
Standing Committee on Expenditure

May 1986

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Mr L B McLeay, MP
Mr D W Simmons, MP
Mr P N Slipper, MP
Mr C W Tuckey, MP

Secretary: Mrs S M Harlow

MEMBERS OF THE SUB-COMMITTEE

Chairman: Mr L B McLeay, MP

Members: Mr J H Beale, MP
Mr M R Cobb, MP
Mr D B Cowan, MP
Ms W F Fatin, MP
Mr R V Free, MP
Mr D P M Hawker, MP
Mrs R J Kelly, MP*
Mr J V Langmore, MP
Mr S P Martin, MP
Mr J G Mountford, MP
Mr D W Simmons, MP
Mr P N Slipper, MP
Mr C W Tuckey, MP

Secretary: Mrs S M Harlow

Inquiry Staff: Mr T Duncan
Mr P Ratas
Miss P Maher
Mr C Paterson (until October 1985)

* The Nominee of the Chairman of the Joint Committee of Public Accounts who, in accordance with Clause (2) of the resolution of appointment, is a member of the Expenditure Committee.

FORWARD

This Report shows that a feeling by the Department
Committee to engage and the recommendation of the Report
Review into Civil Control activities. The Committee found that
organizations who have made submissions to the Inquiry, as well
as all the witnesses who have evidence in their favour, should
and cooperate.

As Chairman of the Enquiry, I would like to thank
by Civil Control members for the time and effort spent on this
Inquiry. Thanks are also due to the Secretary of the Department,
Mrs Sue Harlow, and the other Inquiry staff.

Yours faithfully,
The Secretary

FOREWORD

This Report arose from a decision by the Expenditure Committee to enquire into the recommendations of the Beazley Review into Civil Coastal Surveillance. The Committee thanks the organisations who have made submissions to this inquiry, as well as all the witnesses who gave evidence in Perth, Darwin, Hobart and Canberra.

As Chairman of the Sub-committee, I would like to thank my fellow Committee members for the time and effort spent on this inquiry. Thanks are also due to the Secretary of the Committee, Mrs Sue Harlow, and the other Inquiry staff.

Leo McLeay, MP
Sub-Committee Chairman

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LIST OF RECOMMENDATIONS

The Committee recommends that:

Recommendation 1: Those functions previously vested with the Coastal Protection Unit be transferred to the Department of Transport, with the exception of the response and enforcement capability. The Minister for Transport will be the Minister responsible for co-ordinating civil coastal surveillance. Accordingly, the Department of Transport will chair the relevant interdepartmental committees and provide the main staffing element at the Canberra Surveillance Centre and the Australian Federal Police staff the three regional Coastal Protection Unit Centres (paragraph 4.15).

Recommendation 2: Senior Australian Federal Police officers and senior Australian Customs Service officers be attached to the Department of Transport for the purpose of ensuring that when a response operation is required it can be done in a timely and efficient manner (paragraph 4.17).

Recommendation 3: The principle of 'user pays' be retained for the purpose of funding coastal surveillance (paragraph 4.24).

Recommendation 4: The following costs be subject to 'user pays': all staff from the Australian Federal Police, Australian Customs Service and Department of Transport who have a direct involvement in civil coastal surveillance; all costs of the littoral surveillance contract; and all costs of response operations undertaken by the Australian Customs Service and the Australian Federal Police on behalf of user agencies (paragraph 4.28).

Recommendation 5: Users be required to pay for Defence costs, but only for the time the resources are directly engaged in coastal surveillance. Travel to and from surveillance areas should not be regarded as an attributable cost (paragraph 4.36).

Recommendation 6: The Operations Programme Committee comprising the following representatives, be used to co-ordinate coastal surveillance operations:

Department of Transport - Chairman
Australian Federal Police
Australian Customs Service
Department of Primary Industry
Department of Arts, Heritage and Environment
Department of Defence (paragraph 4.44).

Recommendation 7: The Standing Interdepartmental Committee on Coastal Surveillance meet once a year to consider major policy and funding arrangements (paragraph 4.47).

Recommendation 8: The Standing Advisory Committee on Coastal Protection and Surveillance meet in Canberra (paragraph 4.51).

Recommendation 9: The Airship craft be examined by the Standing Advisory Committee on Coastal Surveillance to determine its feasibility for use in coastal surveillance (paragraph 5.3).

CHAPTER 1

INTRODUCTION

1.1 Protection of the Australian coastline, though always a matter of public concern as a defence issue, has in recent years become increasingly important from the standpoint of many other vital interests of Australia. Until recently, the foremost concerns were unlicensed fishing boats and the threat these pose to Australian maritime resources in Australian waters and the danger of exotic disease introduction. The concern now appears to have widened to include the illegal entry of drugs.

1.2 The organisation of coastal surveillance operations has been the subject of a number of reviews since it first began in the early 1970's. The most significant of these, The Beazley Review, was tabled in Parliament in March 1984 and was conducted by the Hon. Mr Kim Beazley, The Minister Assisting the Minister for Defence.¹ The Beazley Review was more extensive than previous studies. It was carried out at a ministerial rather than departmental level, and invited submissions from all states, the Northern Territory, Commonwealth Ministers, Parliamentary Committees and private organisations. The resulting report recommended substantial changes in the administration of the coastal surveillance operations.

1.3 The House of Representatives Standing Committee on Expenditure agreed on 20 March 1985 to examine the arrangements that had resulted from the Beazley Review. The following terms of reference for the inquiry were adopted by the Committee to examine:

- (i) the degree to which the objectives and recommendations of the Review of Australia's Peacetime Coastal Surveillance and Protection Arrangements have been adopted and implemented;

- (ii) the efficiency and effectiveness of co-ordination between the organisations involved in the Australian Coastal Surveillance Organisation and of the operations of organisations involved in coastal surveillance;
- (iii) the appropriateness of current costing arrangements;
- (iv) the effectiveness of the current geographical focus of coastal surveillance activities.

1.4 The inquiry was advertised nationally on 13 and 14 April 1985. The Committee also wrote to all state governments and relevant Commonwealth departments. A total of 13 submissions were received, along with 5 responses to questionnaires distributed to key departments by the Committee.

1.5 The history of coastal surveillance up until the time of the Beazley Review is detailed in Chapter 2. In Chapter 3 the main recommendations of the Beazley Review and the impact of those that have been implemented are examined. The recommendations that have not as yet been implemented are discussed. In Chapter 4 the problems of coastal surveillance are examined. These include the funding arrangements, the duplication of effort in some instances, and the organisational problems.

1.6 Chapter 5 will outline the various options that the Committee has considered, together with the advantages and disadvantages of each.

CHAPTER 2

BACKGROUND

Early Coastal Surveillance

2.1 Commonwealth involvement in coastal surveillance formally commenced in 1968 when a twelve mile fishing zone was declared as a consequence of the Fisheries Act 1952. Both aircraft and naval patrol boats of the Department of Defence were used to patrol the zone. Foreign fishing vessels that breached the zone were intercepted by naval patrol boats.

2.2 This ad hoc arrangement continued until June 1971, when a Standing Inter-Departmental Committee (SIDC) was established to advise the Government on coastal surveillance matters. At this time minimal surveillance was carried out. Up until 1973 approximately 160 RAAF flying hours per year were devoted to coastal surveillance. A naval patrol craft had been available since 1967 in Darwin and was used for response operations. After 1974, the level of RAAF flying hours was increased to 800 hours per year, with increased patrol boat operations off the coasts of Darwin and Cairns.¹

2.3 In February 1975 the Federal Government established an Australian Coastal Surveillance Organisation under the control of the Commonwealth Department of Transport to manage and co-ordinate coastal surveillance for civil purposes.² The Department was appointed to chair the SIDC and through its Marine Operations Centre it was given responsibility for the day-to-day co-ordination of activities.

2.4 In the latter half of the 1970's two events combined to force a review of coastal surveillance policies. Firstly, an increasing number of Vietnamese refugee boats were arriving, often undetected, in the northern region of Australia. Secondly,

by 1977 it had become apparent that a 200 nautical mile-wide Exclusive Economic Zone (EEZ) would be accepted by the United Nations sponsored Law of the Sea Conference. This would substantially increase the area subject to surveillance. In order to accommodate these changes the Government announced on 24 January 1978 that a committee of Permanent Heads of Departments had been appointed to review civil coastal surveillance and enforcement requirements.³

The 1978 Review

2.5 The 1978 review was the first comprehensive examination of Australia's coastal surveillance since its introduction. The result of the review was announced on 9 July 1978. The main thrust of the new policy was to increase Australian Defence Force (ADF) and civilian contributions to coastal surveillance. The Minister for Transport became the Minister responsible for Coastal Surveillance, and the Marine Operations Centre was substantially strengthened and renamed the Australian Coastal Surveillance Centre (ACSC). Features of the new organisation were:

- . a standing committee chaired by the Department of Transport composed of representatives of all those departments which supplied and/or had need of surveillance information;
- . a subordinate working committee responsible for detailed planning of routine patrolling, vehicle availability and efficient reposting procedures; and
- . a Marine Operations Centre (MOC) responsible for the day-to-day co-ordination of activities and the receipt and dissemination of surveillance reports in addition to its other functions including safety at sea.⁴

2.6 Other recommendations resulted in daily air searches of the northern coastline, increased RAAF Orion activity to cover the Australian Fishing Zone (AFZ), increased use of RAN Patrol Boats, chartering of radar equipped aircraft for Bureau of Customs surveillance, redeployment of Bureau of Customs launches with sea-going capacity and the continued operation of three RAN Trackers from Darwin (a program initiated in 1977 in response to refugee boat sightings).⁵ The review made clear that any matters involving drug smuggling would continue to be handled by the Bureau of Customs.⁶

2.7 The measures introduced in response to the recommendations were designed to increase the total annual hours of aerial surveillance from the 4,600 combined military and air charter hours flown in 1977-78 to 27,000 in the following year.⁷ Ten chartered light aircraft were recommended for visual coastal searches at a cost of \$5 million per annum, and the AFZ surveillance was to be undertaken by RAAF Long Range Maritime Patrol (LRMP) aircraft.⁸ Two additional RAN patrol boats were deployed, which meant that there were now nine naval patrol boats directly available for civil surveillance enforcement. The cost of the latter was to be borne by the Defence budget. These provisional arrangements were to be subject to a review within two years.

2.8 Implementation of civil (contract) aerial surveillance proceeded, with two year contracts beginning 28 February 1979 for the littoral surveillance from Geraldton north to Bigge Island, and between Cape Grenville and Millingimbi. The deployment of the three chartered radar-equipped aircraft for Customs use was delayed until a dispute regarding Australian made planes was resolved in favour of the use of the Nomad Searchmaster L. A further decision was made to lease three additional Searchmaster L aircraft on behalf of the Department of Transport (as co-ordinator), two to take over the surveillance of the northwest approaches to Darwin from the three RAN Trackers, and one to

patrol the Great Barrier Reef. The contracts for the remaining one-third of the littoral aerial search (Bigge Island to Gove, and the east coast of Cape York Peninsula) were let in December 1979 to two firms. The total cost of all these contracts was then projected to be \$10 million.⁹

The Role of Customs in Coastal Surveillance in the 1970's.

2.9 During the 1970's the Bureau of Customs also developed a limited coastal surveillance operation with its resources. A Coastal Air Sea Operations Support Group (CASOS) was established within the Bureau of Customs, with its primary role being to develop the Customs capability to counter smuggling by small craft and by light aircraft in the northern areas in Australia. Prior to the 1978 review, Customs had at its disposal chartered aircraft with Customs officials as observers for approximately 900 flying hours per year, along with three 14 metre launches designed for Customs coastal surveillance based at Cairns, Broome and Darwin.¹⁰ Following the review of coastal surveillance operations in 1978, the three customs aircraft were based in Darwin, Broome and Townsville with two of the launches being redeployed to Geraldton and Port Hedland and the third being retained at Broome.¹¹

The 1981 Review

2.10 Due to delays in implementation of the civil aerial surveillance contracts the review of these new arrangements proposed in 1978 did not take place until 1981. The review was completed by the Standing Interdepartmental Committee on Civil Coastal Surveillance (SIDC-CCS) and its recommendations were announced in January 1982. No major organisational changes were recommended. The Minister for Transport, who remained as Government spokesman on civil coastal surveillance, announced the continued operation of Searchmaster L aircraft on behalf of Customs and the Department of Transport but recommended that the

use of the aircraft on the Great Barrier Reef be reviewed before the expiration of the contract at the end of 1982. Minor operational improvements recommended were the fitting of weather radar and advanced communication and navigation equipment to coastal surveillance aircraft. The 'Coastwatch' designation was introduced to increase public awareness. An annual program budget incorporating 'user pays' principles was proposed.

The Williams Report

2.11 While the review of coastal surveillance arrangements was underway in 1978, coastal surveillance came under examination in the work and the report of The Royal Commission of Inquiry into Drugs, known as the 'Williams Report' which was tabled in Parliament in March 1980. The report was very critical of existing coastal surveillance operations, stating:

'the efforts to date in respect of civil coastal surveillance have proved inadequate to detect the degree to which incursions across Australia's coastline are occurring, or to enable the significance of incursions to be identified.'¹²

2.12 In its final report the Commission recommended that responsibility for development, co-ordination and direction of all civil coastal surveillance be vested in the ACSC, including the operations undertaken by the Bureau of Customs. The Commission believed that Customs should rely on the ACSC for information on possible breaches of the Customs' 'screen' in remote areas and concentrate upon responding to that information rather than monitoring its own surveillance operations.

2.13 The Royal Commission did not consider that the Bureau of Customs should have such a major role in coastal surveillance, and that responsibility for three Nomad aircraft used for coastal surveillance by Customs should be transferred to the ACSC. The Commission recommended that surveillance of Australia's coastline should not be confined to just Northern Australia, and that there

should be a greater level of co-operation between Commonwealth and State Governments, as well as between the Department of Transport and the Bureau of Customs. The review of 1981 did not appear to heed any of the recommendations of the Williams Report.

2.14 Before the 1981 recommendations were fully implemented the election of 1983 took place and a new review of coastal surveillance was announced by the Labor Government, to be conducted by Mr Kim Beazley as Minister Assisting the Minister for Defence.

CHAPTER 3

THE BEAZLEY REVIEW

The Major Direction of the Beazley Review and its Recommendations.

3.1 The central finding of the Beazley Review, according to the Special Minister of State, The Hon Mick Young, MP, was that although the existing system was sound, it could be made more effective.¹ He also stated that the review had found that increased efforts need to be made in Northern Australia to counter drug smuggling, which would be done while maintaining effective levels of surveillance against breaches of quarantine, fisheries, environmental and immigration regulations.

3.2 A total of 17 major recommendations were made in the Beazley Review. Detailed below is a list of those recommendations together with comments as to whether they have been implemented.²

3.3 Recommendation:

I recommend that the national surveillance effort in future give more attention to assisting in activities relating to the prevention of the illegal entry of narcotics.

It is not altogether clear to the Committee that the national surveillance effort has given more attention to assisting in activities relating to the prevention of the illegal entry of narcotics. The Australian Federal Police (AFP), who as a result of the Beazley Review have the major responsibility for coastal surveillance, have stated in their response to the Committee's questionnaire that they do not see the need for specific surveillance patrols for interdicting drug smugglers who may enter through remote areas.³ Rather, they believe that the

present littoral patrols, the operation of the Australian Customs Surveillance, and the extensive intelligence system all contribute an effective strategy for dealing with the current threat.

3.4 It would appear to the Committee that the level and nature of coastal surveillance operations have not been subject to any significant changes since the Beazley Review. The operations seem to be primarily for quarantine and fishing vessel reasons, and not as a part of a strategy to combat the illegal entry of drugs. This issue will be dealt with separately in Chapter 4.

3.5 Recommendation:

I recommend that the national coastal surveillance system should become the responsibility of a Minister already responsible for a significant element of the protection regime and that, in view of the particular responsibilities of the Australian Federal Police for drug enforcement operations and other related laws, the dedicated coastal surveillance and protection force for Australia and its territorial sea should be based on the AFP and that the Minister responsible for the AFP should be responsible for, and the Government spokesman on, civil coastal protection.

I recommend that the Coastal Protection Unit (CPU) be established within the Australian Federal Police, with responsibility for managing and co-ordinating the overall national coastal surveillance and protection system.

This recommendation has been implemented. The CPU has been set up, and is now the co-ordinating agency responsible for coastal surveillance. The responsible minister is now the Special Minister of State.

3.6 Recommendation:

I recommend that the machinery for co-ordination of the several Commonwealth Departments whose responsibilities are served by Coastal Surveillance continue to make use of a standing interdepartmental committee on coastal surveillance.

This recommendation has been implemented since the Beazley reviews. The SIDC has met a total of 13 times as at April 1986. The Committee is chaired by the Deputy Commissioner (Operations) of the AFP, and has representatives from the following Departments:

Transport
Primary Industry
Health
Prime Minister and Cabinet
Special Minister of State
Territories and Local Government
Immigration and Ethnic Affairs
Finance
Arts, Heritage and Environment
Defence

3.7 In addition, representatives from the Great Barrier Reef Marine Park Authority (GBRMPA), the Australian Customs Service (ACS) and the Australian National Parks and Wild Life Service (ANPWS) also attend. Paragraph 4.40 in Chapter 4 addresses some issues raised with regard to the SIDC-CS.

3.8 Recommendation:

I recommend that the Coastal Protection Unit's budget comprise an allocation covering its management and co-ordination, staff and facilities, both centrally and in a number of regions, and that provision for the costs of surveillance and response operations be contributed annually on a 'user pays' basis in relation to the needs of the user departments as recommended by the standing interdepartmental committee and agreed by Ministers in the budget context.

This recommendation has been implemented. The CPU has its own separate budget, which includes associated departmental salaries and administrative costs, special allowances for response actions and miscellaneous services. These costs are shown in Table 3.1.

TABLE 3.1

Coastal Protection Unit - Budget Allocation 1985-86⁴

CPU Budget Allocation for 1985/86 is as follows:

Salaries	\$1,097,000
Overtime	123,700
Travel	175,000
Motor Vehicles	74,500
Capital Equipment	46,000
Office Services	40,900
Office Requisites	11,600
Operational Supplies	11,400
Computer Services	5,500
Telephone installation Cairns Station	5,000
Freight	2,000
Incidentals/Operational Contingency	121,000
	<u>\$1,713,600</u>

3.9 The provision of costs of surveillance and response actions are contributed annually on a 'user pays' basis. The estimated contributions to the program for FY 1985/86 are shown in Table 3.2. It should be noted that the current 'user pays' mechanism is under review by the SIDC-CS. This issue is discussed further in Chapter 4.

TABLE 3.2

Total Apportionment of Coastal Surveillance Program Costs 1985/86⁵

Arts, Heritage and Environment	450,497
Australian Federal Police	2,107,800
Defence	21,501,000
Industry, Technology & Commerce	66,800
Health	7,579,263
Primary Industry	396,022
Territories	48,000
Transport	1,253,728
	<u>33,403,110</u>

3.10 Recommendation:

I recommend that the allocation of surveillance and enforcement effort should continue to be guided primarily by assessments by responsible departments of threat and risk, constrained by 'user pays' considerations.

This recommendation, as judged by the Committee, has been implemented. The current arrangements allow for user departments to vary their requirements depending on their assessment of the various threats and risks. The AFP has stated that recent discussions with user departments have confirmed that the present levels of coastal surveillance do meet their requirements.

3.11 Recommendation:

I recommend that the 'user pays' principle be extended to take in also that part of the Defence surveillance and response effort which Ministers accept not to be a justifiable contribution to Defence preparedness.

This recommendation has not been implemented. As stated previously, the funding arrangements for the coastal surveillance program are currently under review by the SIDC-CS and this matter is one of the key issues that is to be discussed. Defence consider that the current arrangements whereby Defence is required to meet the full cost of its contribution to civil coastal surveillance is unsatisfactory.⁶ Defence has stated that the amount that it would expect users to pay for its services that are not a justifiable contribution to Defence preparedness is in the region of \$9.7m per year.⁷ This will be addressed in Chapter 4.

3.12 Recommendation:

I recommend that the Standing Advisory Committee on Coastal Protection and Surveillance (SAC-CPS) be established consisting of senior representatives from State and Commonwealth instrumentalities responsible for surveillance and enforcement.

This recommendation has been implemented. A Committee has been established with representatives from all State governments and relevant Commonwealth Departments. To date the Committee has met only twice - once in Broome, Western Australia and once in Darwin, Northern Territory. The SAC-CPS is supported by a secretariat in the CPU office in Canberra.

3.13 Recommendation:

I recommend that Commonwealth regional co-ordination centres be established under the management of CPU, able to bring together into a team the various field officer functions, including those presently out posted from the ACSC and the dedicated Australian Federal Police narcotics units in northern Australia. The regional centres should have some devolved authority for response operations, not least so that local communities in northern Australia can have some visible evidence that their interests are being protected.

Once again this recommendation has been implemented. In October 1984 three regional CPU centres were established; one each in Broome Western Australia, Darwin Northern Territory, and Cairns Queensland. Details of the staffing levels are provided in Table 3.3.

Table 3.3
Staffing of Regional CPU Centres⁸

Darwin	1 Inspector
	1 Senior Serjeant
	1 Serjeant
	2 Constables
	1 Clerical Assistant Grade 4
Broome	1 Inspector
	1 Serjeant
	2 Constables
	1 Clerical Assistant Grade 4
Cairns	1 Inspector
	1 Senior Serjeant
	2 Constables
	1 Clerical Assistant

3.14 The officer in charge of each centre heads a co-ordination committee which includes representatives of all departments and instrumentalities associated with coastal surveillance, response and enforcement, including those State authorities which have responsibilities for particular areas of activity. This committee usually meets once a month, and information is passed to CPU headquarters in Canberra.

3.15 Recommendation:

I recommend that a priority task for appropriate working groups of the SAC-CPS should be to examine the nature and extent of problems raised by the lack of uniformity in existing Commonwealth and State legislation and to recommend solutions.

The SAC-CPS has examined the lack of uniformity in existing Commonwealth and State legislation, but has not been able to find any conflicts between the two. The matter was discussed at the second SAC-CPS meeting held in Darwin in October 1985 and the views of State officers were canvassed by the Chairman of the SAC-CPS. According to evidence given to the Committee by the AFP, there was no knowledge of any differences or abnormalities between Commonwealth and State legislation.⁹

3.16 Recommendation:

I recommend that aerial littoral surveillance should continue to be by aircraft or charter; that contracts be renegotiated from 1984 for an additional period as agreed between Commonwealth Departments, taking into account the Department of Health's reassessment of its requirements; and that during that period the Commonwealth should consider whether there is justification for change from the present concept of chartering commercial light aircraft capable principally of daylight visual search. When negotiating contracts, ways should be explored of increasing the flexibility and unpredictability of littoral surveillance flights.

Some parts of this recommendation have yet to be implemented. The issue of night surveillance is currently being considered by the CPU. It should be noted that some night surveillance has been performed over the Great Barrier Reef for a limited period.

3.17 Recommendation:

I recommend that the Minister for Defence be invited to take steps to maintain P3 surveillance of the AFZ at about 1500 hours/year until such time as the proposed organisational arrangements, including the 'user pays' principle, are in place and Primary Industry in conjunction with the Coastal Protection Unit is able to investigate the above options.

This recommendation has not been implemented. In early 1985 the Department of Defence advised that it would be unable to provide 1500 hours as it would detriment other priority defence tasks. The number of hours currently provided to coastal surveillance now amounts to 1200 hours.

3.18 Recommendation:

I recommend that the Tracker aircraft not be retained for RAN operations in support of civil coastal surveillance.

This recommendation has been implemented.

The majority of the Beazley Review recommendations have been implemented, and the newly-formed Coastal Protection Unit is now fully operational. The recommendations that have not as yet been implemented generally fall into the category of new technology options, whereby the CPU has been tasked with investigating the possibility of using night surveillance and using over the horizon radar. The Committee is concerned that little effort appears to have been directed to these tasks. It would be expected that some progress will be made in the near future on these matters. The question of defence resources and the level of

PROBLEMS IDENTIFIED BY THE COMMITTEE

Ministerial Responsibility for Coastal Surveillance

4.1 One of the Beazley Review's major recommendations was to transfer responsibility for coastal surveillance from the Minister for Transport to the Special Minister of State's portfolio. The rationale behind this move was largely based on the apparent deficiency by the Department of Transport in co-ordinating surveillance to assist in response operations against drug smuggling. It was also believed that the system as it stood was mainly serving quarantine and fisheries interests rather than providing any benefit to other elements of the complex protection regime.¹ Accordingly, the responsibility for coastal surveillance was transferred to a Minister already responsible for a significant element of the protection regime, namely, the Special Minister of State. It was Beazley's view that the separation of the responsibility for surveillance from the responsibility for response and enforcement was undesirable, and so both these tasks should be vested in the one organisation. These changes were intended to ensure that greater efforts would be made in Northern Australia to counter drug smuggling.²

4.2 The evidence received by the Committee indicates that since the creation of the CPU little has been done in the form of civil coastal surveillance to increase efforts to counter drug smuggling in Northern Australia. Although the Beazley Review carried a persistent theme of the need to improve program effectiveness to counter drug smuggling, the recommendations and their subsequent implementation did not provide for any additional resources for a particular emphasis on drug interdiction. Rather, the program has continued the pre-existing emphasis on quarantine and foreign fishing vessel management.

4.3 It is not clear, then, what benefits the CPU, as a co-ordinator of coastal surveillance, has received to help it in its role to counter drug smuggling. The evidence that the Committee has received during its inquiry suggests that the link between surveillance and efforts to counter drug smuggling is not as strong as originally perceived. Both ACS and the CPU have indicated this to the Committee while giving evidence. For example, Mr Vassarotti of the ACS stated that:

'I think littoral surveillance, taken in isolation and divorced from the AFZ, and particularly divorced from intelligence, is absolutely useless for the detection of, for example, illicit drug importation.'³

4.4 Chief Superintendent Dixon of the CPU suggested basically the same thing when he said:

'90 per cent of all drug detections are based on intelligence: they are not gained by patrolling an area'.⁴

4.5 The Committee then tried to ascertain whether the creation of the CPU has increased the overall co-ordination of coastal surveillance. Most of the user departments that gave evidence were satisfied with the performance of the CPU in this role. While this may be so, it would appear that the level of staff involved in coastal surveillance has increased quite substantially since the CPU was formed.

4.6 Prior to the formation of the CPU there was a total of 59 positions in the Department of Transport which had a varying degree of involvement in the civil coastal surveillance function; and of these 55 positions were retained by Transport when the CPU was formed.⁵ In March 1984 the AFP proposed an initial establishment of 47 staff (33 AFP officers and 14 Australian Public Service (APS) Officers) to the new CPU, of which four APS officers were to be transferred from the Department of Transport.⁶

4.7 Between 1984 and March 1986 there have been establishment reviews and the number of staff in the CPU is now at 39 (consisting of 28 AFP, 11 APS).⁷ The evidence received from the Department of Transport suggests that their involvement in civil coastal surveillance remains unchanged from when they were tasked with co-ordinating the function, except in the policy area and in the servicing of the relevant Committees.⁸

4.8 A number of positions at the Department of Transport are largely involved in the administering of the Federal Sea Safety and Surveillance Centre (FSS&SC). The FSS&SC's main role is to ensure safety of life at sea around Australia, with secondary roles being to monitor Australian shipping movements and issue navigational warnings to ships.

4.9 These tasks, regardless of whether the Department of Transport was co-ordinating civil coastal surveillance, would still have to be performed. The fact that the staff numbers at the Federal Sea Safety Centre have remained virtually unchanged since the creation of the CPU confirms this point.

4.10 The nature of civil coastal surveillance operations suggests that its primary purpose is for quarantine and fisheries surveillance. This has been stated by a number of officials during the inquiry. For example Dr Proudfoot of the Department of Health stated on 19 February 1986 that:

'The basis of the littoral surveillance program is a quarantine program. There are spin offs to other services - Customs and Immigration - but it is primarily a quarantine program.'¹⁰

4.11 The Committee was made aware of the importance of the quarantine program. The economic consequences to the rural sector should any exotic animal or plant disease be introduced would be substantial.

4.12 There is little evidence, then, to suggest that the coastal surveillance program is in any way connected to the interdiction of illegal drugs. The evidence of both the Australian Customs Service and the Australian Federal Police attests to this.

4.13 The evidence presented and outlined here suggests that there is little benefit in a law enforcement agency administering the coastal surveillance operation. The perceived nexus between the responsibility of surveillance and the responsibility for response and enforcement, especially with regard to drug prevention, does not seem to have eventuated. The Committee can see no need to devote police resources to what is basically an administrative role. This is not to say that the role of the AFP (and Customs) needs to be reduced with regard to coastal surveillance. It is obvious that the AFP, along with Customs, are the appropriate agencies when a response effort is required. However, the day to day administration of the program can be carried out by a civilian Department. The specialist qualities of the AFP in their response and surveillance role do not appear appropriate to oversee a program that is almost entirely involved in co-ordinating a quarantine and fisheries operation.

4.14 As the Department of Transport has the necessary infrastructure with regard to communications facilities along with similar types of operations (i.e. its search and rescue and monitoring of shipping functions) it would seem appropriate to transfer the responsibility for the administration of the coastal surveillance program to that Department.

4.15 The Committee therefore recommends that:

Recommendation 1: Those functions previously vested with the Coastal Protection Unit be transferred to the Department of Transport, with the exception of the response and enforcement capability. The Minister for Transport will be the Minister responsible for co-ordinating civil coastal surveillance. Accordingly, the Department of Transport will chair the relevant interdepartmental committees and provide the main staffing element at the Canberra Surveillance Centre and the Australian Federal Police staff the three regional Coastal Protection Unit centres.

4.16 The Committee considers that the AFP and the ACS do have an important role in coastal surveillance operations. While the Department of Transport should co-ordinate coastal surveillance, it will not be responsible for the law enforcement and response operations. This is clearly the responsibility of the AFP and the ACS. The Committee recognises that there are a number of difficulties relating primarily to Ministerial responsibility that need to be accommodated when the control over enforcement and response is considered. However, there are a number of statutory obligations that preclude the Minister of Transport from deciding whether response operations should be undertaken. For instance, should a breach of the Fisheries Act 1952 or the Quarantine Act 1908 occur, it is up to the Minister for Primary Industry and the Minister for Health to decide whether to respond. To facilitate this officers of those Departments are available on a 24 hour basis to enable a quick decision to be made. The role of the Department of Transport, then, is to co-ordinate the relevant agencies to try and ensure that if a response action is necessary, it is done in the most efficient manner.

4.17 The Committee considers that there should still be a significant presence of the AFP in the coastal surveillance program, both at the co-ordination centre and particularly in the

north of Australia. To enable the law enforcement agencies to have a role in the response operation it will be necessary to have some representation from the two agencies involved, namely the AFP and the ACS. Therefore the Committee recommends that:

Recommendation 2: Senior Australian Federal Police officers and senior Australian Customs Service officers be attached to the Department of Transport for the purpose of ensuring that when a response operation is required it can be done in a timely and efficient manner.

Financing of Coastal Surveillance

4.18 The Beazley Review recommended that provision for the costs of surveillance and response operations be contributed annually on a 'user pays' basis in relation to the needs of the user departments, as recommended by the standing interdepartmental committee and agreed by Ministers in the budget context.¹¹ The 'user pays' arrangement is currently subject to review by the SIDC-CS. A working group set up by the SIDC-CS to examine the question of 'user pays' has met on five occasions since the first meeting on 22 August 1985. To date there has not been a resolution from this group on the 'user pays' question.

4.19 Given this is a vital issue in the management and co-ordination of coastal surveillance, the Committee is concerned that approximately ten months has elapsed and no solution to the problem has been achieved. As late as 22 May 1986 another working group meeting was held with no resolution to this issue. From the experiences of this Committee it would expect such a decision and its implementation should have been expected in a much shorter time period, possibly within six months.

4.20 The Committee heard evidence both for and against the 'user pays' system. The CPU is most critical of the existing system, and suggests in its place a one line appropriation to the agency responsible for co-ordinating civil coastal surveillance.

It is the view of the CPU that coastal surveillance and protection is not a suitable regime for the application of 'user pays' and 'cost recovery' principles as it frustrates the CPU's attempts to develop effective management that combines authority direction with efficiency and accountability.¹² The CPU considers that a more satisfactory arrangement would be for a direct appropriation to the CPU for conduct of all civil charter operations, with Defence and other Departments continuing to carry the costs of their contribution (by way of departmental personnel, vehicles and facilities) to the overall program.¹³

4.21 The W.A. State Government also expressed concern at the 'user pays' system. Mr McLaughlan of the W.A. Fisheries Department stated:

'There would be greater efficiency, I believe, if the CPU were able to get an understanding from organisations such as ours, on a daily basis, as to what the real need is off the Kimberley Coast and then have greater autonomy to utilise those resources rather than having then to consult with Canberra and with other Departments which are seen to hold the purse strings.'¹⁴

4.22 The Department of Finance along with other user Departments maintains that the 'user pays' system is the most appropriate method to fund the coastal surveillance program. It admits that there are problems involved in allocating costs for each response operation. In its draft working paper of November 1985 it states:

'Considerable difficulty has been experienced however, in reaching agreement about utilisation, a situation which reflects both the diverse nature of the beneficiaries (and their requirements) as well as the difficulty in quantifying levels of utilisation. Typically, departments supplying inputs to coastal surveillance can readily identify their costs but user agencies assessment of their utility or benefit from surveillance activities is somewhat less than the cost involved.'¹⁵

4.23 Despite these problems, Finance argues that the 'user pays' principle is seen as a valuable test of efficiency under a system of internally managed resources and there is a danger that a single central appropriation will not adequately meet that range of functional responsibilities involved in coastal surveillance as perceived by individual ministers.¹⁶

4.24 While the Committee agrees that there are certain difficulties involved with the 'user pays' system it nevertheless accepts that it is the most appropriate financial arrangement for funding coastal surveillance operations. The Committee therefore recommends that:

Recommendation 3: The principle of 'user pays' be retained for the purpose of funding coastal surveillance.

4.25 The question that also needs to be addressed is what costs are to be included in the 'user-pays' calculations. The Beazley Review recommended that the costs of surveillance and response operations including those undertaken using defence resources which are not a justifiable contribution to defence preparedness, be subject to 'user pays'. At present only a limited form of the user pays principle is applied to the program. The 1985-86 Program Budget indicates that of a total budget of \$33.4m, only \$8.2m is cost shared. This reflects the fact that Defence costs (assessed at \$21.5m), the Coastal Protection Unit costs (\$2.1m) and some Transport costs (\$0.9m) and other Department's response operations such as Department of Primary Industry and Health (\$0.7m) are not cost shared.¹⁷ Furthermore, the Department of Health shoulders the bulk of the \$8.2m that is cost shared. In December 1984 the animal and plant quarantine function was transferred to the Department of Primary Industry, leaving the Department of Health with the function of human quarantine. Regardless of who has the quarantine function, it would appear unlikely that one department would receive 86 per

cent of the benefit of the \$8.2m which is cost shared. It is obvious that other departments receive a benefit from the coastal surveillance operations but are reluctant to pay for it.

4.26 There are a number of costs of coastal surveillance that can be subject to user pays principles. These include:

- . the cost of Department of Transport staff and resources (e.g. computer used for coastal surveillance);
- . the cost of AFP and ACS officers stationed in Canberra and the Regional Centres;
- . defence resources;
- . littoral surveillance contract; and
- . response operations.

4.27 The question of Defence resources is dealt with separately in the next section.

4.28 Of the other resources devoted to coastal surveillance, the Committee recommends that:

Recommendation 4: The following costs be subject to 'user pays': all staff from the Australian Federal Police, Australian Customs Service and Department of Transport who have a direct involvement in civil coastal surveillance; all costs of the littoral surveillance contract; and all costs of response operations undertaken by the Australian Customs Service and the Australian Federal Police on behalf of user agencies.

4.29 The benefit that each Department receives from coastal surveillance is often hard to quantify. A way to overcome this problem is suggested by the Department of Finance, which states:

'It is proposed that all users be required to identify at the outset of the annual budget bidding process their requirements in terms of the particular program objectives in which they are responsible. Having done so, it is reasonable to

expect that they would meet the costs involved, providing an opportunity is given for the users to re-examine requirements once costs have been determined.¹⁸

4.30 The Committee sees merit in this proposal, as it should ensure that costs are distributed more equally between user departments, rather than the current system whereby Health shoulders the burden of the costs.

4.31 The staffing costs from the Department of Transport and the AFP and SCS that are to be cost shared should only be those that are dedicated solely to coastal surveillance. For the Department of Transport it would be expected that this will include staff at the regional centres and those in Canberra doing work on the preparation of contracts and the co-ordination of operations. The AFP staff at the regional centre and in Canberra should also be included, as well as the newly created ACS position attached to the CPU.

Defence Resources

4.32 The Department of Defence currently provides a substantial amount of flying hours and patrol boat days to the coastal surveillance program. For the financial year 1985-86, this level of resources amount to 1200 flying hours by the RAAF P3 Orion and 1800 boat days by the RAN Fremantle Class patrol boats.¹⁹ Although the Beazley Review recommended that users be required to pay for those resources used in excess of normal Defence training purposes, this has not yet been done. Defence resources currently committed to the program amount to \$37.5m using a full cost basis,²⁰ and of this amount approximately \$9.7m would be recovered should the recommendation be implemented. The SIDC-CS is currently considering the funding arrangements for Defence resources.

4.33 Not surprisingly, the Committee was presented with differing views on the issue of the use of Defence resources. The Department of Defence holds the view that:

'...for other than the effort which can be justified on Defence grounds the principle should be one of users paying the full costs for the civil coastal surveillance effort.'²¹

4.34 Defence is concerned that their resources are all too often considered as 'free' and that this has the effect of increasing the demands for its services above what it might more properly be. By levying charges on users for their resources, Defence hopes to ensure that it can meet requests without diverting other Defence funds, as well as allowing more effective responsibility and accountability for cost effective choices.²²

4.35 The Department of Finance also shares the view that Defence costs ought to be recovered from users. It acknowledges that the high cost of using defence equipment and manpower is far in excess of the requirements of civil coastal surveillance, and that this has contributed to an unwillingness on the part of the users to meet the costs involved.²³ However, the Department still sees a need for users to pay for those resources that are utilised. They believe that the primary advantage of a 'user pays' system is that it causes people who utilise intra-government services to use them economically, so that those responsible for funding particular activities will attempt to ensure that they do not overuse or use services unnecessarily.²⁴

4.36 The Committee agreed that Defence resources should be subject to user pays principles. However, some of the costs charged to the users is for flights over Australia getting to the location where coastal surveillance is to commence, colloquially known as 'dead legging'. This is due to the fact that the RAAF P3 Orions are based at Edinburgh, South Australia. It does not

appear to be necessary to charge users for this cost as they derive no benefit from it whatsoever. Therefore the Committee recommends that:

Recommendation 5: Users be required to pay for Defence costs but only for the time the resources are directly engaged in coastal surveillance. Travel to and from surveillance areas should not be regarded as an attributable cost.

4.37 The Committee noted the high cost of using Defence resources and also the problems experienced due to the priority that Defence tasks have over coastal surveillance. As Mr Barnes of the Department of Primary Industry stated:

'The problem is that Defence resources are used for Defence purposes primarily and take precedence over any Fisheries surveillance requirement that we may have. Quite often our requests are not met, and even if they are, surveillance may well take place in areas and at times which are unsuitable from a Fisheries viewpoint.'²⁵

4.38 This situation only relates to aerial surveillance, as the Naval patrolling that is undertaken can adequately provide for a Fisheries capability without any addition to Defence requirements.

4.39 The situation could arise whereby the user-departments may not consider it worthwhile to pay for the high costs of Defence resources and instead opt for a commercial contract to fulfil their requirements. The Committee was told that the United Kingdom recently (November 1985) changed from using RAF Nimrod planes to a contract system with a commercial operator to undertake some of their coastal surveillance operations. Considering the high cost of Defence resources and their priority over civil tasks, the Committee considers that there may be a case for allowing commercial operators to perform some tasks that are currently performed by Defence.

Operations of the Standing Inter-departmental Committee on Coastal Surveillance (SIDC-CS)

4.40 The SIDC-CS co-ordinates coastal surveillance operations and meets approximately once every two months. The role of the SIDC is to consider policy for the coastal surveillance program and this includes the task of formulating the annual coastal surveillance program budget. It has a membership of approximately 30 representing 14 separate Departments and agencies, which was detailed in Chapter 3.

4.41 Another Committee, the Operations Program Committee (OPC) is responsible for co-ordinating the day to day activities of coastal surveillance operations. It meets once a month and has a membership of approximately 13 representatives from the following Departments and agencies:

- AFP - CPU - Chairman
- Department of Transport
- Department of Primary Industry
- Department of Health
- Department of Defence
- Department of Immigration and Ethnic Affairs
- Department of Territories
- Australian Customs Service
- Great Barrier Reef Marine Park Authority
- Australian National Parks and Wildlife Service.

4.42 In evidence given before the Committee, most members of the SIDC-CS indicated that overall it was functioning satisfactorily. It was suggested by one member that it may be too large.²⁶ Evidence was also presented suggesting that the level of representation at the SIDC-CS meetings was not sufficiently high to enable decisions to be made and to ensure that representatives could speak authoritatively for their Departments.²⁷ When asked to comment about the level of

representation, the CPU stated that as a general rule those Departments with a major interest in terms of finance or provision of resources have a senior officer present, whereas those Departments with relatively little financial interest have a less senior officer attend.²⁸

4.43 Due to the many interests that coastal surveillance must serve, it is appropriate that a large committee representing all relevant areas should be used so that their interests may be heard. However, the Committee is concerned that by having such a large organisation discussing coastal surveillance on a regular basis it will create delays and slow up the decision-making process. Of the 14 Departments and agencies represented on the SIDC-CS, only eight contribute financially to the program, and of those eight only three put in more than five per cent of the total cost of coastal surveillance operations (based on 1984-85 estimates).

4.44 The Committee feels that a more efficient way of administering the program would be to have a much smaller Committee with a high level of representation meeting once a month to consider the level and scope of coastal surveillance operations. The Committee recommends that:

Recommendation 6: The Operation Programmes Committee, comprising the following representatives, be used to co-ordinate coastal surveillance operations:

- Department of Transport - Chairman
- Australian Federal Police
- Australian Customs Service
- Department of Primary Industry
- Department of Arts, Heritage and Environment
- Department of Defence

4.45 The Department of Health may require representation should they retain the responsibility for human quarantine.

4.46 It is envisaged that the OPC will consider minor policy issues, but that major policy options will continue to be addressed through the forum of the SIDC-CS. The level of representation on the Committee should be such that members can make decisions and speak authoritatively for their departments. However, the members should not be so senior that they are unaware of the day-to-day operations of coastal surveillance.

4.47 The Committee considers that the OPC is the most appropriate forum for the majority of operational decisions to be made and that this should reduce the number of items that need to be addressed by the SIDC-CS. Accordingly, the Committee recommends that:

Recommendation 7: The Standing Interdepartmental Committee on Coastal Surveillance meet once a year to consider major policy matters and funding arrangements.

State-Commonwealth Co-ordination

4.48 The Committee examined the level of co-operation between the relevant State and Commonwealth agencies involved in coastal surveillance. The Standing Advisory Committee on Coastal Protection and Surveillance (SAC-CPS) is the main vehicle by which this co-ordination is arranged. There was some early criticism that the SAC-CPS was not meeting frequently enough, but the Committee has now met three times, and will be meeting on a regular basis. No evidence was received that suggested that the SAC-CPS was not carrying out the aims for which it was established.

4.49 The Committee noted that the venue of the SAC-CPS meetings changed frequently. A practice has been adopted whereby all the meetings are held in northern Australia, with the Chairman of each meeting being the appointed officer of the host

State or Territory. Evidence to the Committee indicated that due to this practice, a member of the SAC-CPS might not be able to attend due to the distance involved in travelling to the location of the next proposed meeting.²⁹

4.50 A continuation of this practice whereby participants of the SAC-CPS may not be able to attend meetings due to the high cost involved in getting to the venue concerned the Committee. Should this occur regularly, it would lead to an erosion of the effectiveness of that organisation.

4.51 Given that the majority of agencies involved with coastal surveillance are located in Canberra, the Committee considers that this would be a logical place to conduct meetings between the Commonwealth and the States. Therefore the Committee recommends that:

Recommendation 8: The Standing Advisory Committee on Coastal Protection and Surveillance meet in Canberra.

Geographic Focus of Coastal Surveillance

4.52 The Committee sought to identify whether the current coastal surveillance operations were adequate to demonstrate Australia's resolve and capability to exercise control over its sovereign territory. At the outset it should be stated that Australia has a very limited coastal surveillance capability when one considers its vast expanse. Australia's coastline stretches over a distance of 12,000 miles and includes a number of outlying island territories - Norfolk, Lord Howe, Macquarie, Heard, Cocos and Christmas Islands, and when the AFZ is taken into account, the area that requires surveillance totals nearly 4 million square miles.³⁰

4.53 In comparison to other countries, Australia has a limited amount of resources available to conduct surveillance of its coastline. For example, in 1979 it was stated that the Americans have a coastguard service staffed by more than 35,000 people, with 272 big ships, 600 smaller boats and over 200 aircraft and helicopters, as well as the hundreds of ships at the disposal of the United States Customs Service.³¹

4.54 The Committee received evidence from two State Governments and the Northern Territory Government suggesting that the level and scope of coastal surveillance needs to be substantially increased. The Western Australian Government was particularly concerned that no offshore surveillance was being performed on one particular sector of the Western Australia coast. Mr Mott, Acting Deputy Commissioner of the W.A. Police Force stated:

'The fact that no regular patrol by aircraft is made between Port Hedland and Fremantle has resulted in this area of coastline being a soft target and an area known to be favoured by drug traffickers.'³²

Mr Mott also provided examples of incidents in the past two years emphasising that drugs were entering through this unpatrolled area.³³

4.55 This evidence was supported by the Skywest organisation, when Mr Hugh Davin, Coastwatch Manager, stated:

'The past two years have seen several major drug hauls on the central west coast. Positive evidence of drug trafficking activity in these areas exists. There is no question about that.'³⁴

4.56 The Northern Territory Government argued that both the level of aerial surveillance had been reduced and the response mechanism to investigate possible breaches was inadequate. The

reduction relates to aerial surveillance previously undertaken over the approaches to Darwin Harbour, as well as reduced surveillance during the wet season due to weather conditions.³⁷ The Northern Territory Government suggested that to help improve response efforts, an arrangement between the Australian Federal Police to use the Northern Territory Government departments on an agency basis should be instigated. Mr Plumb of the Northern Territory Police Force suggested:

'I believe that the AFP, because of the lack of infrastructure and the lack of people on the ground here, should forget about trying to operate as a response mechanism and get into closer negotiation with the various government agencies here to work out a better response mechanism.'³⁶

4.57 The Tasmanian Government also suggested that the level of surveillance be increased around their State. At present there are limited patrols around the Tasmanian region. In the 20 months from March 1984 to October 1985 the number of flights of the RAAF P3 Orion around Tasmania averaged only 1.75 flights per month, or one per 17 days.³⁷ The number of patrol boat operations is also limited to approximately 20 patrol boat days per year.³⁸ The Tasmanian Government maintain that their major concerns are in areas related to fisheries and drug importation and that both are at a level requiring regular surveillance.³⁹

4.58 The concerns of the Northern Territory and State Governments were noted by the Committee, and all departments involved in co-ordinating the geographical focus of coastal surveillance were questioned as to whether they thought the current arrangements were appropriate. The CPU, which is responsible for co-ordinating coastal surveillance has stated that:

'It (the AFP) believes that the present littoral patrols (carried out for quarantine protection purposes), together with the operation of the Australian Customs Service, the improved co-ordination provided by the CPU and the extensive police criminal intelligence system, all contribute to an effective strategy for dealing with the current threat.'⁴⁰

4.59 All other agencies involved in the program indicated that the current level and the geographical focus were sufficient. The ACS have suggested deep sea patrols of the sea lanes as a way of improving the geographical focus of the current program. In particular, the ACS and the Department did not share the same concern of the Tasmanian State Government, indicating that they did not see any real threat in that region either in the form of illegal drug entry or foreign fishing vessels' breaches.

4.60 Overall, then, the Committee regards the current focus of coastal surveillance as being effective in meeting the perceived threats of fisheries and quarantine interest.

Drugs

4.61 Much of the evidence presented to the Committee related to the relationship between coastal surveillance and the illegal entry of drugs. A number of witnesses suggested that large amounts of drugs were entering the country illegally. Mr Aubrey Canning of the Tasmanian Police Force stated that:

'At the barriers, yes, Customs are reasonably effective and this is where a lot of drugs are being detected, but I also believe treble that amount or more is coming into Australia by other means which are not being detected.'⁴¹

4.62 The West Australian Police also pointed to the increase in illegal drug entry. Mr Anthony Mott of the W.A. Police Force gave the following statistics to support his claims:

'In 1980, 63 grams of heroin were seized by police compared with 3,806 grams in 1984 and 1,338 grams so far this year (October 1985). Cannabis leaf seized amounted to 2.25 kilos in 1980, compared with 321 kilos this year. Cannabis resin seized amounted to 8.5 kilos in 1980, compared with 188 kilos this year.'⁴²

4.63 The AFP believes that although drugs are entering through the north of Australia, the major areas of drug importation come through Sydney and Melbourne. The CPU maintains that:

'The drug importations through the northern part of Australia are not at the same level that some emotive statements would like to indicate.'⁴³

4.64 The coastal surveillance operations do provide a benefit to the interdiction of drugs, but the level of benefit is difficult to quantify. The statistics presented to the Committee indicate that very few prosecutions result from coastal surveillance sightings. The sightings represent all reports from flights undertaken by Defence and the civilian contractor, as well as reports from the public, and ships around Australia. As illustrated in Table 4.1, 17 prosecutions resulted in 1982-83 and 1984-85, none of which were related to drug interdictions.

TABLE 4.1⁴⁴

Coastal Surveillance Sightings and Response

Year	Sightings	Response	Prosecutions
1982-83	88,000	57	8
1984-85	82,500	28	9

Source: Australian Customs Service

4.65 Mr Vassorotti of the ACS summed it up when he stated:

'I think it is fairly illustrative that the results from this enormous number of sightings are relatively minor in terms of effective enforcement'

and also

'As I have said, to believe you can achieve law enforcement through patrol of the littoral is naive.'⁴⁵

4.66 The role of coastal surveillance operations is often confused. As stated by the Skywest organisation:

'It is our understanding that its designed role is a quarantine patrol: its funded role at this stage is primarily a quarantine patrol; its publicly perceived role is an anti-drug patrol, and its future role is yet to be defined.'⁴⁶

4.67 It is the Committee's view that although coastal surveillance does provide some benefit to the interdiction of drugs, its main role is for quarantine and fisheries purposes. The prime advantage of its current operations is to ensure a level of deterrence to would-be traffickers. Evidence presented by the Western Australian Government indicate this may be occurring, for example:

'On shore incidents in the north of this State have actually decreased in the 18 months since the CPU has been operating. The effectiveness of surveillance on this coastline and the punitive action taken against offenders by confiscating their boats may be serving a preventative role.'⁴⁷

4.68 The role of interdicting drugs, then, is not primarily a responsibility of coastal surveillance operations. The Australian Customs Service and the Australian Federal Police intelligence gathering method will remain as the chief means of interdicting drugs. The Committee commends the recent amalgamation of ACS and AFP resources in the north of Australia. This combination should help improve efforts to deter illegal drugs entering from the northern region.

CHAPTER FIVE

OTHER OPTIONS PRESENTED TO THE COMMITTEE

5.1 During the inquiry the Committee was presented with a number of options with regard to coastal surveillance. One of these options was the introduction of airships to be used in a surveillance role. The Committee was given a briefing on the possibilities of this new technology being adopted for Australian coastal surveillance by Airship Industries and the Bond Corporation. The briefing mentioned the following points:

1. Maritime patrol aircraft that are currently used for coastal surveillance are expensive to acquire and run, and require a surface unit in support for interdictive purposes;

2. Surface units cannot cover enough ground due to low speed and a limited radar horizon and hence require airborne support to extend their radar horizons; and

3. The airship is a totally autonomous unit, offering in a single vehicle the possibility of coverage approaching that of an aircraft and the endurance and autonomy of a surface ship at considerably less cost than a helicopter.

5.2 It was pointed out to the Committee that the Airship 600 series craft was being used in trials by the French Navy, the British authorities and the United States Coastguard in surveillance activity.¹ The craft has various features which, according to the briefing, enable it to perform three tasks of surveillance, interception and interdiction.

5.3 The Committee was attracted to the concept presented by the Bond Corporation of a multi-purpose craft that has a range and capability to undertake the function of coastal surveillance. Although the Airship would involve a substantial cost in the initial outlay, the long term costs may work out cheaper than the present arrangement of chartering aircraft. Therefore the Committee recommends that:

Recommendation 9: The Airship craft be examined by the Standing Advisory Committee on Coastal Surveillance to determine its feasibility for use in coastal surveillance.

5.4 The Committee was also presented with a proposal that the Commonwealth acquire an additional capability for inshore surveillance by the P150 Consortium (a group of West Australian companies sponsored by the W.A. Marine Service Association). The proposal suggested that fifteen vessels are required to be stationed at various locations around Australia from Exmouth, Western Australia to Cairns in Queensland.

5.5 The overall cost of the proposal including purchase and administration amounts to \$44.5m to be paid over a two year period.²

5.6 The Committee considered that there may be some merit in this proposal. However, the craft proposed would be supplementing existing Defence equipment rather than replacing them, which is the basis of the Airship proposal. The P150 may become a viable option if in the future Defence costs are fully attributed to the users.

5.7 The Committee recognises that it is almost impossible to effectively cover the entire Australian coastline. With changes in technology (for example the Jindalee Over the Horizon Radar Project) it may be possible to accurately pinpoint approaching vessels and aircraft at considerable distance off the Australian coastline. This will allow protection of Australia's coastline to move from a surveillance operation to an interdiction operation. The present high level co-operation between the ACS and the AFP should ensure that these agencies are ready to carry out this task.

JOHN MOUNTFORD, MP
CHAIRMAN

MAY 1986

ENDNOTES

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2. see Recommendations by the Minister, Beazley Review 1984, pp 1-10.
3. Exhibit No. 20, p.3.
4. Attachment 'C' to Exhibit 20.
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6. Exhibit 22, p.3.
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Chapter 4

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2. ibid.
3. Evidence, p.280.
4. Evidence, p.317.
5. Exhibit No. 12, p.1.
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12. Exhibit No. 20, p.14.
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14. Evidence, p.21.
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19. Exhibit No. 22, p.2.
20. For details of costing see Exhibit No. 20., Attachment A.
21. Evidence, p.234.
22. Evidence, pp 235-6.
23. Exhibit No. 24, p.4.
24. Evidence, p.170.
25. Evidence, p.189.
26. Evidence, p.21.
27. Evidence, p.272.
28. Evidence, p.323.
29. Evidence, p.324.
30. Hon Justice E S Williams, op cit. p. B335.
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32. Evidence, p.8.
33. Evidence, pp 8-9.
34. Evidence, p.48.
35. Submission No. 8, p.4.
36. Evidence, p.97.
37. Evidence, p.104.
38. Evidence, p.114.
39. Submission No. 12, p.8.
40. Exhibit No. 20, p.3.
41. Evidence, p.108.
42. Evidence, p.9.
43. Evidence, p.317.
44. Evidence, p.283.
45. ibid.
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47. Evidence, p.6.

Chapter 5

1. Evidence, p.38.
2. Exhibit No. 5, p.2.

APPENDIX I

CONDUCT OF THE INQUIRY

The Committee resolved on 20 March 1985 to conduct an inquiry into civil coastal surveillance co-ordination in Australia. A Sub-committee was appointed to conduct the inquiry.

On 13 and 14 April 1985, the Committee advertised nationally inviting submissions. A total of 13 submissions were received as a result of the advertisement. The Committee then sent questionnaires to some Commonwealth Departments who had not lodged a submission. A total of 5 responses to Questionnaires was received. The Sub-committee then conducted public hearings on 21 October 1985 (Perth), Thursday 24 October 1985 (Darwin), 4 February 1986 (Hobart) and 19 and 20 October 1985 (Canberra). In association with the hearings, the Sub-committee inspected the various facilities available for coastal surveillance at Port Hedland, Broome, Cairns, Townsville and the Coastal Protection Unit's Headquarters in Canberra.

In the final phase of the inquiry, the Sub-committee drafted this report.

APPENDIX II

WITNESSES

	<u>Date of Appearance before Committee at Public Hearings</u>
Dr Walter Jacob Cox, Chairman, Western Australian Coastal Surveillance Liaison Committee, and Director, Department of Regional Development and the North West, Perth, Western Australia	21.10.85
Mr Anthony Thomas Charles Mott, Acting Deputy Commissioner, Western Australian Police Department, Perth, Western Australia	21.10.85
Mr Neil Edward McLaughlan, Chief Fisheries Officer, Fisheries Department, Perth, Western Australia	21.10.85
Mr Ernest John Little, Assistant Chief Fisheries Officer, Fisheries Department, Perth, Western Australia	21.10.85
Mr Ray Durrant, Executive Assistant, Bond Corporation Holdings Ltd, Perth, Western Australia	21.10.85
Mr Graham Winterbottom, Marketing Executive, Airship Industries Ltd, London, England	21.10.85
Mr Hugh Thomas Davin, Coastwatch Manager, Skywest Airlines Pty Ltd, Perth, Western Australia	21.10.85
Mr William John Meeke, Managing Director, Skywest Airlines Pty Ltd, Perth, Western Australia	21.10.86
Mr Rudolf Francis Roodenrys, Acting Deputy Secretary, Chief Minister's Department, Northern Territory Government, Darwin, Northern Territory	24.10.85
Dr Robert John Thistlethwaite, Assistant Secretary, Technical Services Branch, Department of Primary Production, Northern Territory Government, Darwin, Northern Territory	24.10.85
Mr Neil David Plumb, Assistant Commissioner for Crimes and Services, Northern Territory Police Force, Darwin, Northern Territory	24.10.85
Mr Aubrey Patrick Canning, Assistant Commissioner of Police, Crime and Operations, Tasmania Police Department, Hobart, Tasmania	4.02.86
Mr Michael Bowen Shield, Senior Research Officer, Department of the Premier and Cabinet, Government of Tasmania, Hobart, Tasmania	4.02.86

Mr Kenneth Eustace Thompson, First Assistant Secretary, Conservation and Environment Assessment Division, Department of Arts, Heritage and Environment, Canberra, Australian Capital Territory	19.02.86
Mr Richard Bonford, Clerk, Marine and Coastal Section, Department of Arts, Heritage and Environment, Canberra, Australian Capital Territory	19.02.86
Mr Michael David Hinchey, Park Operations, Australian National Parks and Wildlife Service, Canberra, Australian Capital Territory	19.02.86
Mr Brian Trevor Garton, Assistant Executive Officer, Great Barrier Reef Marine Park Authority, Canberra, Australian Capital Territory	19.02.86
Mr Allan John Goward, First Assistant Secretary, Citizenship and Compliance Division, Department of Immigration and Ethnic Affairs, Canberra, Australian Capital Territory	19.02.86
Mr John Richard Mahoney, Assistant Secretary, Interregulation Branch, Department of Immigration and Ethnic Affairs, Canberra, Australian Capital Territory	19.02.86
Mr Alexander Agafonoff, Assistant Secretary, Government and Aid Branch, Department of Finance, Canberra, Australian Capital Territory	19.02.86
Mr Terrence Leo Gallagher, Chief Finance Officer, Government Services Section, Department of Finance, Canberra, Australian Capital Territory	19.02.86
Mr Louis William Lane, Acting Director, Australian Agricultural Health and Quarantine Service, Department of Primary Industry, Canberra, Australian Capital Territory	19.02.86
Mr Kevin Adrian Doyle, Acting Deputy Director, Australian Agricultural Health and Quarantine Service, Department of Primary Industry, Canberra, Australian Capital Territory	19.02.86
Mr David Robert Barnes, Assistant Director, Australian Fisheries Service, Department of Primary Industry, Canberra, Australian Capital Territory	19.02.86
Mr Anthony Charles Byrne, Assistant Director, Australian Fisheries Service, Department of Primary Industry, Canberra, Australian Capital Territory	19.02.86
Dr Alexander Proudfoot, Acting Head, Communicable Diseases Branch, Department of Health, Canberra, Australian Capital Territory	19.02.86

Mr Ronald Arthur Jay, Chief Quarantine Inspector, Department of Health, Canberra, Australian Capital Territory	19.02.86
Mr Terence Joseph Rule, Director, Quarantine Section, Department of Health, Canberra, Australian Capital Territory	19.02.86
Mr Michael Ives, First Assistant Secretary, Programs and Budgets Division, Department of Defence, Canberra, Australian Capital Territory	20.02.86
Commodore Ian MacDougall, Director-General, Joint Military Operations and Plans, Department of Defence, Canberra, Australian Capital Territory	20.02.86
Mr Allan Behm, Assistant Secretary, Strategic Guidance and Policy Branch, Department of Defence, Canberra, Australian Capital Territory	20.02.86
Mr Paul Barcroft Eccles, First Assistant Secretary, Maritime Safety Division, Department of Transport, Canberra, Australian Capital Territory	20.02.86
Mr David Graham Kay, Acting Senior Assistant Secretary, Safety Operations and Pollution Branch, Maritime Safety Division, Department of Transport, Canberra, Australian Capital Territory	20.02.86
Mr Ernest Neil Hendy, Director, Operations Policy, Safety Operations and Pollution Branch, Maritime Safety Division, Department of Transport, Canberra, Australian Capital Territory	20.02.86
Mr Colin Felice Vassarotti, Acting First Assistant Comptroller-General, Barrier, Australian Customs Service, Barton, Australian Capital Territory	20.02.86
Mr James Gordon Keating, Director, Special Operations and Remote Areas Section, Australian Customs Service, Barton, Australian Capital Territory	20.02.86
Deputy Commissioner Roy Farmer, Head of Operations, Australian Federal Police, Braddon, Australian Capital Territory	20.02.86
Chief Superintendent Richard Edward Dixon, Unit Commander Coastal Protection Unit, Australian Federal Police, Civic, Australian Capital Territory	20.02.86
Mr Wayne Kathage, Secretary, Standing Advisory Committee on Coastal Protection and Surveillance and Secretary, Standing Interdepartmental Committee on Coastal Surveillance, Coastal Protection Unit, Australian Federal Police, Civic, Australian Capital Territory	20.02.86

APPENDIX III

INDEX OF SUBMISSIONS

COASTAL SURVEILLANCE INQUIRY

<u>Submission No.</u>	<u>From</u>
1.	Bond Corporation Holdings Ltd, Perth, Western Australia, dated 20 May 1985.
2.	Skywest Airlines Pty Ltd, Perth, Western Australia, dated 20 May 1985.
3.	Citizens Radio Emergency Service Teams - Australia Inc., Dubbo, New South Wales, dated 20 May 1985.
4.	Rt Hon. Ian Sinclair, MP, Canberra, Australian Capital Territory, dated 23 May 1985.
5.	Department of Transport, Civic Square, Australian Capital Territory, dated 29 May 1985.
6.	Senator Michael Macklin on Behalf of the Australian Democrats, dated 19 June 1985.
7.	The Hon. B T Burke, MLA, Premier of Western Australia, dated 24 June 1985.
8.	The Hon. I L Tuxworth, MLA, Chief Minister of the Northern Territory, dated 25 July 1985.
9.	Department of Arts, Heritage and Environment, Canberra, Australian Capital Territory, dated 8 August 1985.
10.	Australian Customs Service, Canberra, dated October 1985.
11.	Co-ordinator-General, Premiers Department on behalf of the Queensland Government, dated 8 January 1986.
12.	Department of the Premier and Cabinet on behalf of the Tasmanian Government, dated 19 December 1985.
13.	Department of Primary Industry, Canberra ACT, dated 14 February 1986.

APPENDIX IV

INDEX OF EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
1.	Exhibit, Perth 21 October 1985 - A concept proposal concerning the Acquisition of Skyship 600 'Sentinel' Airships, Airship Industries (UK) Ltd.
2.	Exhibit, Perth 21 October 1985 - Presentation paper of Lighter-Than-Air Aviation, Airship Industries (UK) Ltd.
3.	Exhibit, Perth 21 October 1985 - Summary of surveillance related issues raised by Skywest.
4.	Exhibit, Darwin 24 October 1985 - Text of speech to Ministerial Council on Drug Strategy, by Hon Ray Hanrahan, NT Minister for Health.
5.	Exhibit, Fremantle 22 October 1985 - Project 150, Proposal for provision of Surveillance Resource in Northern Waters of Australia. Submitted by the P150 Consortium. (M G Kailis).
6.	Exhibit, Hobart 4 February 1986 - Submission Prepared by Tasmania Police Department.
7(a).	Exhibit, Canberra 20 February 1986 - Littoral flight distances and minimum times.
7(b).	Exhibit, Canberra 20 February 1986 - Take off and mid point time.
8.	Exhibit, Canberra 20 February 1986 - Commonwealth Co-ordinating arrangements for the apprehension of foreign fishing vessels in breach of fisheries legislation (Australian Federal Police).
9.	Exhibit, Canberra 6 February 1986 - Confidential exhibit.
10.	Exhibit, Canberra 26 February 1986 - Supplementary information sought from the Department of Health at Committee hearing on 19 February 1986.
11.	Exhibit, Canberra 26 February 1986 - Supplementary information sought from the Department of Transport at Committee hearing on 19 February 1986.

12. Exhibit, Canberra 14 March 1986 - Supplementary information sought from the Australian Federal Police at Committee hearing on 20 February 1986.
- 13(a) Exhibit, Canberra 14 March 1986 - letter from Mr P B Eccles, Department of Transport.
- 13(b) Exhibit, Canberra 18 March 1986 - Supplementary information to letter dated 14 March from Mr P B Eccles, Department of Transport.
14. Exhibit, Canberra 14 March 1986 - Supplementary information sought from the Department of Primary Industry at Committee hearing on 19 February 1986.
15. Exhibit, Canberra 26 March 1986 - Supplementary information sought from the Australian Customs Service at Committee hearing on 20 February 1986.
16. Exhibit, Canberra 11 April 1986 - Confidential exhibit.
17. Exhibit, Canberra 14 October 1985 - response to Committee's questionnaire by the Department of Territories and Local Government.
18. Exhibit, Canberra 4 October 1985 - response to Committee's questionnaire by the Department of Health.
19. Exhibit, Canberra 24 October 1985 - response to Committee's questionnaire by the Department of Finance.
20. Exhibit, Canberra 8 November 1985 - response to Committee's questionnaire by the Australian Federal Police.
21. Exhibit, Canberra 28 January 1986 - response to Committee's questionnaire by the Department of Immigration and Ethnic Affairs.
22. Exhibit, Canberra 15 October 1985 - response to Committee's questionnaire by the Department of Defence.
23. Exhibit, Perth 21 October 1985 - Confidential Exhibit.
24. Exhibit, Canberra 19 February 1985 - Draft working paper prepared by Department of Finance addressing user pays principle for all civil coastal surveillance.