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PARLIAMENT OF TASMANIA

**PARLIAMENTARY STANDING COMMITTEE OF
PUBLIC ACCOUNTS**

REPORT INTO TT-LINE SECURITY

Laid upon the Table of both Houses of Parliament

The Committee was appointed under the provision of section 2 of the *Public Accounts Committee Act 1970 (No. 54)*

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REPORT INTO TT-LINE SECURITY

INTRODUCTION

1. Between 1986 and 1991 the Public Accounts Committee investigated certain allegations regarding security, financial administration and waterfront practices pertaining to the TT-Line, and in particular those aspects relating to the vessel.

2. Evidence was received from TT-Line Management, Tasmania Police and others.

3. In the Annual Report (Various Enquiries 1990-91), Number 16 of 1991, the Committee gave an interim report and stated that:—

'The Committee has reached the conclusion that there is a high incidence of crime associated with the provisioning and operations of the Abel Tasman.'

The Committee notes that the TT-Line Management and Tasmania Police are doing all within their capacity to overcome the problems but lack of resources, inherent structural problems and water front work practices are limiting factors.

The Committee recommends that the matter of work practices and shipboard security be given high priority as the count-down to the Abel Tasman replacement vessel continues.

The Committee agrees to monitor further progress on or about 17 October 1991.'

4. At the time of reporting in 1991, the Committee identified a number of problems. These are listed in Annex A.

5. The Committee also recognised that TT-Line Management had progressively taken steps to rectify many of the problems identified to that time. Such improvements included:—

- (a) Rationalisation of computer hardware and software;
- (b) Improvement of management information systems with more effective dissemination of the information received;
- (c) General accounting procedures modernisation;
- (d) Measures to improve the control of the accounting for food and alcohol were introduced;
- (e) The industrial relationship between management, staff and unions continued to improve;
- (f) Improved work practices had been the result of much consideration and effort.
- (g) Staff responsibilities had been clarified and duty statements written; and
- (h) A reduction in theft of linen, towels, etc., by passengers had been achieved.

PERIOD MID 1991 TO PRESENT

6. Since the announcement that the Abel Tasman would be replaced, it has been the prime objective of the Committee to report and make recommendations for improved procedures that could be put in place prior to the new vessel being placed into service. In August 1991, the Committee requested the General Manager, TT-Line to provide a written report on the progress of new security procedures to be adopted when the replacement ship comes into service.

7. The General Manager, TT-Line, replied on 2 January 1992 and advised that:—

'The following measures have been introduced over the last twelve months and are currently in operation:—

- *At present entry to the vessel for all seagoing personnel is via a keypad operation.*
- *The keypad number is changed on a weekly basis.*
- *Entry to and from the vessel is restricted to the gangway.¹*
- *All seagoing personnel and shore staff have been issued with identification cards.*
- *All personnel must wear their identification cards when working either onboard the vessel or within TT-Line premises.*

¹ This is apart from those passengers entering on vehicles. These are checked and accounted for separately.

- *A board has been erected at the bottom of the gangway for personnel to nominate when they embark and disembark from the vessel. This allows shipboard and shore staff management and also other authorities to know precisely who is onboard the vessel at any one time.*
- *A Deputy General Manager Hotel Services with specific responsibilities for onboard security of stores and cash transactions was appointed in October. A review of all security procedures affecting these operations is being undertaken.'*

8. The General Manager also advised of a number of security initiatives that were planned for the replacement vessel. Some of these matters included the following:—

- Stringent cash control systems via a computerised hotel management system will be developed.
- Entry will be by means of the electronic swipe card. Entry to all crew quarters will be by a key pad.
- The Waterside Workers Federation and Seamen's Union of Australia amalgamated in 1992. The possibilities of more stringent controls by means of personnel manning entrances to the ship at peak times will be canvassed. Amalgamation may eradicate demarcation issues in this area.
- Entrance to the vessel by shore personnel will be limited.

9. After further deliberation in May 1992 the Committee again wrote to the TT-Line. That correspondence in part stated:—

'The appointment of a Deputy General Manager Hotel Services is welcomed, as is the upgrading of security arrangements for the Abel Tasman as outlined in your reply.

The Public Accounts Committee would, however, like more information on specific procedures that either have already been introduced, or are intended for the future. Matters of concern are subtended.

1. Personnel Matters:

- (a) *non-paying passengers;*
- (b) *visitors on board, issue and control of Visitors' Passes;*
- (c) *control of keypad;*
- (d) *checking of pensioner/student cards for reduced fares;*
- (e) *crew's liquor entitlement; and*
- (f) *"ghosting".*

2. Cash Control Systems:

- (a) *the ability of customers to view cash register entries; and*
- (b) *collection, transfer and accounting for cash.*

3. Stores, Rations and Liquor:

- (a) *ordering procedures, receipt and checking of items on board ship, proper accounting procedures, issues and receipts entered on bin tally cards, etc.;*
- (b) *spot checking and stocktakes; and*
- (c) *recording and investigation of losses or discrepancies.*

4. Container Aspects:

- (a) *control and accounting for damaged containers and contents;*
- (b) *secure sealing system for containers; and*
- (c) *the use of a "crew container".*

5. Security of Restricted Areas:

10. Realising that a written reply to the above letter would be extremely lengthy, the Committee decided to visit Devonport with a view to being briefed by the General Manager and senior staff of the TT-Line, and undertaking inspection of shore facilities and the Abel Tasman itself. This visit occurred on 8 September 1992 and was considered to be both successful and informative.

11. Prior to writing its final report, the Committee also received evidence as a result of a 'public notice' placed in the three major Tasmanian newspapers, the Age, and the Herald Sun in November 1992.

POTENTIAL AREAS OF CONCERN TO THE COMMITTEE

12. Despite the many improvements that have been made, there are still some areas of concern to the Committee.

Non-Paying Passengers

13. Evidence was received that there are basically two types of non-paying passengers:—

- (a) *Stowaway*—There is no evidence to suggest that this is a major problem. The Committee is satisfied that vigilant surveillance measures are maintained; and
- (b) *Ringbolt*—(someone who travels on the ship without a ticket and is assisted on board by a member of the crew). While this was believed to be a fairly common practice before 1991 there is no tangible evidence that it is currently a major problem.

Identification Cards

14. Notwithstanding improvements made, or alluded to in the January 1992 correspondence from the General Manager, TT-Line, there are some reported deficiencies regarding the issue, use and control of identification cards. Access to cards is available on too wide a basis and it currently appears to be too easy to get a replacement card should a personal issue be lost or destroyed. Restrictions on efficient control are currently imposed on the system by the type of computer operated by the TT-Line. An updated version may enable greater control measures to be implemented, and would probably reduce time involved in manual operation of the system.

Control of Visitors onto the Vessel

15. 'Tail-gaiting' (the practice of a visitor following a crew member onto the vessel without an identification card). There needs to be tighter control on the entry of visitors onto the vessel.

Control of Foodstuffs/Medical Stores and Alcohol

16. Within the current provisioning systems onboard the Abel Tasman, there is a historically recognised scope for the pilfering of foodstuffs and alcohol. This problem is compounded by the attitude of some crew members who believe that pilfering is a traditional perquisite which should be permitted because they pay a victualling fee to the company. The following situations contribute to the problem:—

- (a) There is insufficient control of provisions at the base of issue and at interim points such as kitchens; and
- (b) While the ship is in port provisioning for the full crew complement is undertaken, whereas only a small percentage of the crew may actually dine onboard. This allows scope for the uncooked portion to be misappropriated.

17. The Committee received evidence to suggest that:—

- (a) There are too many foodstuff supply points;
- (b) There is insufficient control and supervision of supply points, no realistic check of consumption usage rates, and insufficient internal auditing;
- (c) Established medical lockers may be too heavily stocked, again with no realistic check of consumption usage rates, and insufficient internal auditing. There is reportedly an insufficiently detailed record of patient treatment, and usage of medication; and
- (d) Alcohol and beverage price lists are inadequately displayed.

The appointment of a Deputy General Manager Hotel Services, and the availability of a computer based monitoring system may ease these problems.

RECOMMENDATIONS

18. Many of the following recommendations must, of necessity, be broad in nature. The Committee is not in a position to propose detailed actions to rectify reported problems; that is a function of management and supervisory staff.

Waterfront Practices

19. TT-Line Management must make every effort to establish reasonable waterfront practices prior to the Spirit of Tasmania being placed into service. Supervisors at all levels must enforce those practices in order to achieve efficient and effective operation of the new vessel and minimise the potential for the 'skimming off' of foodstuffs, alcohol and medical supplies.

Identification Cards for Entry

20. The availability and use of these must be rationalised to effect greater control. Full computerisation of the system should be achieved as soon as sufficient funding is available. Rationalisation should include:—

- (a) The cancellation of off-duty crew cards and weekend passenger cards (after the weekend or when not required); and
- (b) If it is considered that off duty crew should retain their right to gain entry to the vessel, a separate system should be introduced.

Repositioning of Gangway at Devonport

21. When the gangway is repositioned at Devonport, management should consider the following additional security measures:—

- (a) separate entry/exit doors for passengers and for crew;
- (b) an appropriate surveillance system; and
- (c) installation of a mechanism which will avoid depressuring of the door closing mechanism, and enable proper operation of the doors.

Redesigning of the Devonport terminal should include another set of doors at the entry point to the ship to provide a double entry airlock with a time restriction on passing through the second door. This should also allow the 'hull door open' alarm to be operational at all times.

Upgrading of Closed Circuit Television

22. When funds are available, closed circuit television should be installed at the vessel's entry point in Devonport. This should be functional at least while the 'swipe cards' are in operation.

Checking of Crew and Passengers onto Vessel

23. It is recognised that the introduction of some security measures can be costly, and that those measures may not necessarily be cost effective. TT-Line Management should consider the introduction of improved security measures at both the Devonport and Melbourne terminals, which could include (in order of priority):—

- (a) The appointment of security officers to conduct a physical check of identification cards/ 'swipe' cards and tickets; and
- (b) The upgrading of the computer card system and entry doors.

During the redesign of the Devonport terminal, should funds not be immediately available to complete the necessary works, interim action should be taken to install the necessary electrical wiring. This will enable the remainder of work to be completed when further funds become available.

24. The Committee is aware that financial constraints restrict the employment of staff. However, it is believed that the extent of theft and pilfering relating to the provisioning of the vessel would warrant the appointment of an internal auditor from an independent firm (perhaps even on a rotational basis) to conduct independent audits of:—

- (a) The ordering, payment for an actual receipt of foodstuffs, alcohol, and if relevant, medical supplies, to provision the vessel. Such auditing should include the correct transaction of inventories of all incoming stock and cover the full cycle of transactions from ordering, to the item being consumed;
- (b) The number of pantries and supply points, their usage rates and effectiveness;

- (c) The usage of medical service and supplies needs to be strictly controlled and at the very least casualty treatment details should consist of:—
- date/time,
 - name and address,
 - diagnosis,
 - treatment,
 - medication provided; and
- (d) Alcohol and beverage price lists should be clearly displayed and the location of cash registers should be sited so as to ensure that the customer display panel can be viewed by passengers at all times.

CONCLUSION

25. The Committee recognises that many improvements have been made. To maximise profits on the Spirit of Tasmania and to provide efficient customer service it is important that these reported problems be addressed before the new vessel comes into service.

Parliament House, HOBART
9 August 1993

Hon. G. A. SHAW, M.L.C. (Chairman).

ANNEX A TO TT-LINE SECURITY REPORT
IDENTIFIED PROBLEMS TO 1991

1. Existence of a 'crew container' used for storage and subsequent sale of acquired items.
2. Carriage of firearms and drugs.
3. Non paying passenger.
4. Inadequate sighting of cash registers.
5. Inadequate ordering procedures, receipt and checking of stores, proper accounting procedures.
6. Recording and investigation of discrepancies or losses.
7. Misuse of pensioner/student cards to obtain reduced fares.
8. Control of keypad.
9. Control, issue and security of identification cards for crew and visitors.
10. 'Ghosting' (taking the unauthorised place of another crew member).
11. Security of restricted areas.
12. Control and accounting for damaged containers.
13. Sealing system for containers.