



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Main Committee

COMBATING THE FINANCING OF PEOPLE SMUGGLING AND OTHER MEASURES BILL 2011

Second Reading

SPEECH

Tuesday, 22 March 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Marino, Nola, MP

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Ms MARINO (Forrest) (6.28 pm)—The Combating the Financing of People Smuggling and Other Measures Bill 2011 relates more to other serious transnational crimes than it does to the people smuggling contained in its title. When I read through the bill, this fact was confirmed by the number of times I read the words ‘people smuggling’.

I would have to say that there is very serious concern in the community about the riots on Christmas Island. It is resonating right throughout the community. When I was out over the weekend, at the Harvey Harvest Festival, people were literally rushing up to me, and that was the one thing they wanted to talk about. They take it very seriously. They are seriously angry about the riots. They are also concerned about what will happen as a result of those riots and about whether those people will be allowed to stay in this country and whether they actually should have the right to do so.

I am very well aware that the Howard government had a very strong, unequivocal stance on border protection, and that strong, unequivocal stance gave a very clear message to people smugglers. That was the intent of that particular legislation. There is no doubt that that strong stance in protecting our borders and our national interest came in for much criticism, mainly from the Labor Party and social commentators at the time. The tough stance was, however, very necessary because people smugglers were becoming increasingly active and increasingly wealthy, and more and more people were putting their lives at risk as a result of that. As a result of the numbers of suspected illegal entry vessels that were arriving with increasing regularity—it was just a fact of life—in 2001, when the Howard government took its strong stance, when John Howard made his now famous statement, people smugglers had successfully completed 43 incursions into Australian waters. However, in 2002 they made just one. In fact, over the remaining years of the Liberal-led government, 25 boats entered Australia illegally. That is an average of just over three a year from 2002 to 2008.

But it all changed dramatically in 2008, when the newly elected Labor government threw open Australia’s doors to people smugglers, seriously increasing their wealth at the same time. This also placed thousands and thousands of people at risk—as we have seen by the thousands who have arrived in Australia—in leaky and unseaworthy boats. And we have recently seen the tragic outcome at Christmas Island. In 2009, people smugglers reached Australia 61 times, and in 2010 they earned their illegal, very lucrative income through at least 135 successful incursions. That is over 200 in total.

It is this background of Labor’s border security policy failures that is supposedly the genesis of this bill, which the government today seek to use to paper over some of the cracks of their policy. Well, it will not work. There was an effective and solid border security policy. There is now a Labor papier-mache version, to which this bill merely seeks to add a little more paper and flour.

I went up to Darwin to have a firsthand look at Operation Resolute and the enormous job that our Navy and Air Force in particular are undertaking. It is a very serious job, and it is constant. They do an enormous service in the way that they carry out their duties. But what concerned me was the fact that, when they do pick up a SIEV, it takes four days to take those asylum seekers from Ashmore Reef to Christmas Island, and often they have to be accommodated on a vessel that is not built for that purpose. You see these service men and women having to spend hours and hours taking guard duty on these boats until the time they are given orders as to what to do next. They are very trying circumstances and they do put their lives at risk.

As I said, other serious transnational crimes will be a major target of changes in this bill, as opposed to people smuggling. The government is attempting to do this through a bill which will require greater scrutiny of third-party money transfers internationally and will make the results of this scrutiny available to a wider range of Australian security organisations. It is meant to enhance the identification of the senders and recipients of moneys sent across international borders.

The measures in this bill may well aid in the identification of money used for drug smuggling, arms smuggling, people smuggling, international terrorism or a range of other serious criminal activities, but the government

should not be calling this a people-smuggling bill; it should be calling it a control of remittance services bill. This bill is supposed to improve the monitoring of those who act as a third party in sending money around the world, including those who do so to fund illegal activities. One of those activities is people smuggling, but there are many other activities that will be caught. In fact, apart from the title, as I said, the term 'people smuggling' only appears three times, in schedule 1. In each of these three short references, the bill determines that the Australian Transaction Reports and Analysis Centre must have regard to whether a person would be a risk of engaging in money laundering, financing of terrorism or people smuggling when registering them or cancelling their registration on the new or old register to provide remittance services—and that is it. Just those three short references are the entire link to people smuggling in a bill of 53 pages, apart from the title.

The point that needs to be made is that the measures in this bill impose substantially increased regulatory burdens on the alternative remittance sector, and I do know that privacy concerns have been raised as a result of the enhanced information-sharing provisions and credit-reporting data. Whilst I understand that Australian law enforcement agencies are rightly focused on the role the sector may inadvertently play in facilitating payments for people smuggling, I note the provisions for a more comprehensive registration scheme and the provision of tiered penalties. I am, however, concerned about the additional regulatory and compliance effects on what are legitimate business activities. There are over 6,500 remittance dealers operating in Australia, conducting legitimate business, but I do understand that cybercrime is also a serious and growing transnational security issue. The NBN and its proposed 100 megabits per second will facilitate crime at a speed and frequency we have never experienced before.

Another part of the bill which requires further examination is that which directs credit-reporting agencies and reporting entities to retain information relating to verification requests for seven years. This may well enhance the transparency of the verification process; however, it is the broader issue of how and where this information is stored that I am concerned about—who has access to it and how this access is audited and monitored. That must be addressed given the capacity of local and transnational hackers. It is just a fact of life now.

I note the expanded list of designated agencies that can access AUSTRAC information. Again, how the volume of shared information is stored, accessed and protected needs to be defined. It is only common sense that, the more agencies have access to information, the more opportunities exist for that information to be passed on or accessed. I therefore support a comprehensive examination by the Senate Legal and Constitutional Affairs Committee; however, the provisions contained in this bill should not be considered in any way as a solution to the Labor government's soft and very risky approach to border protection.