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<u>Mrs STONE</u> (Murray--Parliamentary Secretary to the Minister for the Environment and Heritage)(11.03 a.m.) --I move:

That the bill be now read a second time.

The purpose of the <u>Criminal Code Amendment (Slavery and Sexual Servitude) Bill 1999</u> is to amend the Criminal Code Act 1995 to insert offences relating to slavery, sexual servitude and deceptive recruiting for sexual services. The importance of this bill is perhaps best demonstrated by the fact that its provisions will be inserted in Chapter 8 of the code, which is the chapter that deals with crimes against humanity.

I would like to congratulate my colleague Senator Vanstone for pursuing this important initiative so vigorously with her state and territory counterparts on the Standing Committee of Attorneys-General.

At present, the law in Australia on slavery and the slave trade is governed by four 19th century imperial acts which employ archaic language and relate to outdated circumstances and institutions that have either changed or long since fallen into disuse. In 1990 the Australian Law Reform Commission released report No. 48 on *Criminal admiralty jurisdiction and prize* in which it recommended that the 19th century imperial acts be replaced with modern and concise Australian statutory offences.

Modern Australian slavery offences will ensure that Australia's international obligations are fulfilled and that the elements of the offence and the penalties that apply are clear. This initiative has the support of all Australian jurisdictions through the Standing Committee of Attorneys - General, which has endorsed Senator Vanstone's proposal to enact modern slavery offences.

The slavery offences in the bill prohibit the possessing of a slave or the exercising of a power of ownership over a slave. They also prohibit engaging in slave trading and entering into a commercial transaction involving a slave. Finally, they prohibit controlling, directing or providing finance for a commercial transaction involving a slave or an act of slave trading. It is important to make the point that, although this bill contains separate offences to address the conduct I will refer to shortly as sexual servitude, the slavery offences may also apply if the control over the sex worker is so far-reaching that it effectively amounts to a right of ownership over her or him. The maximum terms of imprisonment for the slavery offences range from 17 to 25 years. In view of the heinousness of the crimes involved, these penalties are more than justified.

Since the new slavery offences will be replacing the old imperial acts, the bill contains provisions for their repeal. However, as a precautionary measure the bill also includes a provision which declares that slavery will remain unlawful and that its abolition is maintained after the imperial acts have been repealed.

In addition to the modern slavery offences, the bill includes a range of model offences to deter the impact on Australia of a growing and highly lucrative international trade in people for the purpose of sexual exploitation. Essentially, the trade involves recruiting persons from one country and relocating them to another to work as prostitutes in servile or slave-like conditions for little if any reward. Young women are the primary target of this insidious trade but, tragically, children are also falling victims in increasing numbers.

Over recent years the world has seen a disturbing increase in this appalling activity. There are few countries today that are not in some way affected by the trade and, sadly, the indications are that Australia is becoming an important destination for its victims. Australia has obligations under a wide range of international instruments to prohibit servitude and the trafficking in persons for the purposes of sexual exploitation. These include the Convention on the Elimination of All Forms of Discrimination Against Women 1979, the Convention on the Rights of the Child 1989 and the Universal Declaration of Human Rights 1948.

Intelligence from Australian and overseas sources confirms that the problem is a significant one for Australia. In August 1997, the Australian Federal Police reported that in the previous 18 months it had received information of 14 possible cases in this country. The National Crime Authority has also reported that it is aware of eight possible cases over the period from December 1992 to November 1996. Those cases involved 25 women, one of whom was allegedly a 13-year-old girl brought to this country from Thailand to work as a prostitute to repay her father's debt.

We must not wait for what is already a significant problem to become so firmly entrenched that it proves to be impossible to rectify in the future. The stakes are obviously very high. Australians are rightly proud of their record on human rights, and what are involved here are serious violations of fundamental human rights. Our intelligence is that the recruits come mainly from South-East Asia. The poorer regions of the world are fertile ground for potential victims desperate to escape poverty and unemployment. In many cases recruits are aware that they will be employed as sex workers, but they are usually unaware of the conditions under which they will be required to work. In other cases, recruits are deceived into believing that they will be engaged in other work, only to be forced into prostitution when they arrive in Australia.

What do they find when they arrive in this country? The reports paint a very ugly picture. For example, once in Australia, recruits are often placed under heavy security and their movements are strictly controlled. Those that are fortunate enough to live away from the brothel premises frequently find that they are driven by guards to and from work and are not free to go elsewhere. Others live and work almost entirely at the brothel.

The recruits are rarely allowed time off and have little or no control over how many clients they service a day. Many are not free to reject a client or to determine the conditions on which they service them. Unsafe sexual practices are regularly imposed on them and as a consequence they live under the constant fear of contracting HIV and other sexually transmitted diseases. Their passports and other travel documents are frequently taken from them, and transgressions are often met with intimidation, violence and threats to harm them or their families, or to report them to immigration authorities.

There are various pay arrangements between the sex workers and organisers, but in most cases the recruits are placed under a debt to the sponsors, allegedly for the costs of air fares, arranging false travel documents and for ongoing expenses such as accommodation and board. The sex workers are frequently required to fully repay the debt before they can retain their

earnings. In many cases, the recruits are not informed of this until they arrive in Australia. As a precautionary measure, the sex worker's earnings are usually paid directly to the sponsor or parlour owner.

The debt is usually far in excess of the sponsor's actual expenses and is often unilaterally increased in response to some transgression on the part of the sex worker. In some cases, sex workers have complained that their debt is in the region of \$40,000 to \$50,000 and in others that they would have to service up to 500 clients before they could discharge their debt. In many cases, recruits are detected by the authorities and deported back home before they receive any payment for their services.

The Australian Federal Police has reported that there are a number of syndicates and individuals in Australia engaging in sex trafficking and that many have been operating in this country for many years. The organisers use sophisticated methods and appear to have links with international crime syndicates and major drug traffickers. Large, untaxed profits are made by the organisers and large sums of money are transferred by them overseas. Investigations show that the gross cash flow to organisers of the trade could be in the region of \$1 million per week, much of which is transferred overseas.

Although in this country the problem mainly involves persons being trafficked to Australia, it saddens us to have to say that our own citizens are not immune from this insidious trade. Last year, the Australian Federal Police reported that it was aware of a number of cases where women had been recruited in Australia to work overseas as prostitutes under servile conditions. Further, the evidence is that many of these were deceived into believing that they would be employed as 'hostesses', only to be forced into prostitution when they arrived at their destination. It would be intolerable if this legislation protected persons brought to this country but did not afford the same protection to our own citizens. Accordingly, the bill includes a provision that expressly applies the sexual servitude and deceptive recruiting offences to cases where persons are recruited from Australia to work as sex workers overseas.

Advice to the Minister for Justice and Customs, Senator Vanstone, is that current Commonwealth, state and territory laws have not proved effective to discourage the growth of this activity in Australia. There are a number of reasons for this. First, sex trafficking to and from Australia is part of a large and increasing international trade so that, although existing laws may address some aspects of the domestic activity, they do not address the core of the problem; that is, the international conduct.

Secondly, the primary focus of relevant prostitution and migration offences is on the persons subjected to trafficking, such as the illegal immigrants or the sex workers, and not on the traffickers. Thirdly, although existing state and territory laws, such as those relating to assault and false imprisonment, may apply to the offenders directly involved, the organisers and recruiters are less vulnerable to prosecution, because their involvement is remote from the exploitative prostitution.

If we are to discourage this activity in Australia, we need offences that are specific to the problem and address both the international and domestic aspects of the trade. Most importantly, we need offences that target the traffickers who recruit, organise and profit from those engaged in sex work in slave-like conditions.

This bill will create offences of causing a person to enter into or remain in sexual servitude, of conducting a business that involves the sexual servitude of another person and of inducing a person to become a sex worker by deceiving her or him about the fact that the work will involve providing sexual services. However, the bill restricts the application of these offences to cases where an international element is involved; for example, where a person recruits someone outside Australia for sexual servitude inside Australia, or, conversely, where the person recruits someone inside Australia for sexual servitude outside Australia. The offences are confined in this way because corresponding state and territory offences will operate where the conduct and sexual services take place wholly within Australia.

The slavery, sexual servitude and deceptive recruiting offences can be committed by non-nationals as well as Australian citizens and residents. In the case of the slavery offences they can be committed by both nationals and non-nationals, whether they act wholly inside or outside Australia or partly inside and partly outside Australia. For sexual servitude and deceptive recruiting the offences may be committed by both nationals and non-nationals who engage in conduct outside Australia if sexual services are provided, or are to be provided, outside Australia. Those offences may be committed by non-nationals who act outside Australia if the sexual services are provided, or are to be provided, inside Australia and acts inside Australia if the sexual services are provided, or are to be provided, outside the country.

The international nature of the trade in persons and the inherently evil nature of that trade satisfy me that the offences should have this application. However, to ensure that Australia's international relations are not adversely affected in cases where extraterritorial jurisdiction is invoked, the bill contains a standard provision that the Attorney-General's written consent must be obtained before a non-national can be prosecuted for a slavery, sexual servitude or deceptive recruiting offence, if the relevant criminal conduct occurs wholly or partly outside Australia.

The bill also includes a double jeopardy provision which provides that a person cannot be prosecuted for a slavery, sexual servitude or deceptive recruiting offence in respect of conduct for which he or she has already been convicted or acquitted in another country for offences against the law of that country.

As I have said, this bill is part of a package of Commonwealth, state and territory legislation directed at both the international and domestic impacts and aspects of the trade, with the main focus on those who recruit, organise and profit from this insidious trade. By enacting this legislation, we will be sending a firm message to the organisers and recruiters that Australia will not be a destination for their trade. We will also encourage the rest of the world to do the same. Australia can be justly proud if it shows leadership to other countries affected by this inhumane trade. I commend the bill to the Main Committee and I present the explanatory memorandum to the bill.