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**Submission to the National Action Plan to Combat Modern Slavery 2020-24:  
Public Consultation Paper**

Collective Shout welcomes the opportunity to contribute to the National Action Plan to Combat Modern Slavery 2020-24 Public Consultation Paper. We are pleased to see the Plan's commitment to "maintain and promote compliance with international standards on modern slavery". Outcomes which included strengthened Australian government support for the provisions of the Palermo Protocol and the CEDAW Convention would be welcomed.

Collective Shout ([www.collectiveshout.org](http://www.collectiveshout.org)) is a grassroots movement challenging the objectification of women and sexualisation of girls in the media and popular culture. We target corporations, advertisers, marketers and media which exploit the bodies of women and girls to sell products and services, and campaign to change their behaviour. More broadly we engage in issues relating to other forms of exploitation, including the inter-connected industries of pornography, prostitution and trafficking as well as the growing market in the sale of children for Live Distant Child Abuse.

Question 1: Do the 12 goals capture key areas of focus for Australia over the next five years?

Evidence demonstrates that the sex industry and criminal enterprise frequently go hand in hand.<sup>1</sup> But nowhere is this reality reflected in the Plan's goals.

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<sup>1</sup> This reality is demonstrated by Mary Lucille Sullivan (2007) in *Making Sex Work: A Failed Experiment With Legalised Prostitution*, Spinifex Press, North Melbourne. For a more recent examination of the operation of the

In Appendix 1 we detail several cases where legal prostitution businesses in Australia and abroad have been found to be engaging in criminal activity including human trafficking. We also describe international experience showing that legalisation of prostitution typically gives rise to human trafficking activity. Human trafficking is the fastest growing criminal enterprise in the world and is among the top three most lucrative criminal activities, after trafficking of narcotics and weapons (Pterunov, 2011). The Asianisation of Australia's sex trade, among other factors, is a red flag for trafficking as described by Dr Caroline Norma (2015). We urge the Committee to establish specific Action Plan goals to combat prostitution as an enterprise of trafficking. For example, we suggest provisions requiring existing reporting entities to pay careful attention to customer identity verification in prostitution businesses as well as massage parlours, which are a common front for prostitution activities and potential trafficking destinations (Wolfe, 2017).

The Action Plan should urge increased surveillance of the sex industry to combat human trafficking. Even when decriminalised at the State level, criminal activity continues in non-registered prostitution venues, in parallel to the 'legal' industry.<sup>2</sup>

Question 2: Should there be additional goals to address other areas of focus, emerging issues or trends? If so, what should they be?

The Committee is no doubt aware of the Westpac banking scandal in which the bank was found in breach by Austrac which alleged that 3057 transactions worth \$497,612 were made by Westpac customers to overseas providers of child exploitation material (primarily in Southeast Asia and the Philippines). Transactions by Australian Westpac customers were conducted in "patterns consistent with child exploitation typologies" according to court documents (Schliebs 2019a). Australian paedophiles are "fuelling the market for online footage of children being tortured and murdered" according to police (Schliebs 2019b, Grigg and Chenoweth, 2019).<sup>3</sup>

Collective Shout has taken a strong position on the prevention and prosecution of Live Distant Child Abuse,<sup>4</sup> highlighting grave harms to children in this growing crime. Melinda Tankard Reist, Collective

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commercial sex industry in Australia see Collective Shout's submissions to the Modern Slavery Bill 2018 Inquiry (NSW), the Federal Inquiry into Human Trafficking (2016), the Select Committee on the Statutes Amendment (Decriminalisation of Sex Work) Bill 2015 (SA), the Legislative Assembly Select Committee Inquiry on the Regulation of Brothels 2015 (NSW), the Regulation of the Sex Industry in Tasmania discussion paper (2012), and the Standing Committee on Justice and Community Safety review of the operation of the Prostitution Act 1992 (ACT, 2011). These can be accessed at <https://www.collectiveshout.org/submissions?page=1> For a broader understanding of women's lives in the industry see *Prostitution Narratives: Stories of Survival in the Sex Trade* edited by Tankard Reist and Norma (2016)

<sup>2</sup> We refer the Committee to the submission by the Coalition Against Trafficking in Women Australia (CATWA) to the NSW Modern Slavery Act 2018, which states that "while we also support the requirement for commercial organisations to report on modern slavery risks in their operations and supply chains, an annual turnover of \$50 million or more fails to capture the commercial sex industry and businesses registered for massage that provide sexual services where human trafficking for sexual exploitation has been found." Rather, they should be required to report their supply chains regardless of income.

<sup>3</sup> See the recent address given by the Honourable Peter Dutton MP, Minister for Home Affairs, to the Global Summit to Tackle Online Child Sexual Exploitation, Addis Ababa, Ethiopia, on 12 December 2019: "More broadly last year, our Federal Police received almost 18,000 reports of online child sexual abuse. Each report can contain hundreds to thousands of images and videos. Disconcertingly, that was an 84 per cent increase on reports received in 2017 for a country of just 25 million people. ... We want industry to cooperate with us willingly, but it is clear that many companies have no intent to meet their moral obligations without being forced into it by legislation."

<sup>4</sup> See Collective Shout's submission to the Senate Legal and Constitutional Affairs Committee on the *Combatting Child Sexual Exploitation Legislation Amendment Bill 2019* for more information.

Shout co-founder and current Movement Director, has exposed the failures of Australian ISPs and Telcos – who provide the means by which the sexual abuse of the child is streamed – to cooperate with law enforcement to prosecute these crimes (Tankard Reist 2017). We are particularly distressed by the growing practice of using a digital platform for the purposes of live streaming acts of child sexual abuse performed on demand, and we believe this needs more attention in the Action Plan, specifically in the forms of goals to work with Internet Service Providers to properly monitor and block online platforms that facilitate such crimes. The child victim is part of the slavery supply chain: combatting modern slavery has to include combatting the global epidemic of the ‘pay-per-view torture’ of children in the growing trade of predators commissioning the live sexual abuse of a child, viewed via their computer screen and facilitated by their ISP. ISPs and Telcos – Telstra, Optus, iiNet and TPG – provide the infrastructure for live-streaming abuse of children to be possible. They must be made to cooperate with law enforcement authorities. The Action Plan can remedy this unacceptable situation by adopting a stance similar to that articulated by Kevin Hyland OBE (UK’s first Independent Anti-Slavery Commissioner 2014-2018):

With the increase of online trafficking, particularly for cybersex, legal instruments are long overdue to require those who supply and provide the internet ‘virtual highways’ to guarantee they will control the traffic and materials that transmit across their systems. This should be part of a legally binding framework and should be linked to the provision and upgrading as service providers seek to win contracts to supply 5G technology, which is expected to move to an even higher generation version in the near future.” (Hyland 2019, p13).

Question 3: The Government is committed to ensuring victims of modern slavery are supported, protected and empowered. Are there ways in which the Government can better reflect the voices of victims and their lived experiences in the 2020-24 Plan and Australia’s response to modern slavery?

Legalised prostitution always results in expanded demand for commercial sex; local supply is limited as most women are unwilling to engage in unwanted sex acts for money. Human trafficking for sexual exploitation arises in order to meet demand. Accordingly, as a measure of victim protection incorporated in the Action Plan, we commend the provisions of the Nordic Model as international best practice in prostitution regulation because it aims to reduce demand for commercial sex while assisting women to find safer livelihoods. The Nordic Model does not criminalise women involved in prostitution and it ensures support structures for women to exit and recover. On the other hand, the Nordic Model criminalises those who profit from women’s sexual servitude. This legislative model is helping criminalise exploitative business practices, locating victims and offering them protection. Research shows the Nordic Model can successfully reduce demand for commercial sex, reduce the size of prostitution markets within the country, and reduce sex trafficking (Coy, Pringle and Tyler, 2016). Once women are recognised as victims of this industry, the necessary budgetary resources can be allocated for welfare and support services to help them rebuild their lives in safety and with income security. Key aspects of Nordic Model legislation are provided in Appendix 3.

Question 4: The Government is committed to ensuring that we can measure the impacts of the 2020-24 Plan. Are there evaluation methods, data sources or metrics the Government should consider in developing an evaluation framework?

We commend to the Committee Michael Sugimura's 2016 doctoral thesis, 'What Predicts a Country's Ability to Prosecute and Combat Human Trafficking? Governance Indicators? Economic Success? Or Does It Come down to Focusing on Anti-trafficking Efforts?' which highlights the need for security agencies to monitor online activity as a gauge of likely trafficking crime. He writes that,

If one of the main ways that a country can increase their ability to prosecute human traffickers in accordance with the UN Anti-Human Trafficking Protocol is by increasing the capacity of law enforcement to identify and build cases against traffickers then advanced data analytics techniques can be applied to help identify potential cases of sex trafficking. In particular the increase in usage of online classified advertisement sites give law enforcement the opportunity to look for patterns which may lead to identifying potential trafficking cases.

The Australian Government, in developing its evaluation framework for the Action Plan, can most productively establish targets for monitoring and pattern detection of activities known to involve human trafficking. These include online 'escort' agency activity and classifieds, online streaming platform sites likely to be used for web-cam pornography and child sexual abuse, and social media platforms that mediate the pimping of women in Australia, especially as part of 'tours' and those with eroticised Asian themes.

## Conclusion

In summary, Collective Shout welcomes this Action Plan and the opportunity to contribute.

Collective Shout urges the Australian Government to add to the Action Plan additional strategies to strengthen measures to address modern slavery:

- increase surveillance of the sex industry to combat sex trafficking, including jurisdictions; where prostitution has been decriminalised;
- work with ISPs to monitor and block online platforms facilitating online child sexual abuse;
- adopt international best practice Nordic Model policies for prostitution regulation; and
- monitor activities known to involve human trafficking.

Collective Shout

January 31, 2020

## Appendix 1: Criminal activity, including human trafficking, within legal prostitution.

1. Two legal brothels in NSW and three in Melbourne have been linked to international human trafficking and sex slavery rings, according to two federal police investigations, Operations Elixation and Raspberry. Police allege that the syndicate convinces Asian women to come to Australia to study, but then forces them to work as debt-bonded sex slaves in brothels. Two Chinese women gave witness statements saying they were forced to engage in unsafe sex practices up to seven days a week, servicing dozens of men, and all money earned was returned to the syndicate (McKenzie, Beck, Reilly and Davies, 2011).
2. “The population group in relation to this study consisted of 346 Australian Federal Police investigations that were undertaken by the AFP Human Trafficking Teams between 25 November 2003 and 29 October 2013... All one-hundred and fourteen (n=114) investigations pertaining to trafficking for sexual exploitation or the peripheral offences of sexual servitude or debt bondage were analysed for content... There was significant evidence of money laundering with thirteen criminal syndicates observed to be laundering money, some with large money flows in-and-out of the country; and consistently the data indicated that the money was being sent back to the country of origin of the traffickers. There were only a few instances where it was identified that funds were spent on lavish lifestyles, particularly when those syndicate heads or brothel managers submit tax returns indicating modest salaries below A\$50,000. However, this was often contradicted by AUSTRAC and financial institution reports providing evidence of large amounts of money being transferred out of the country and to a lesser extent back into Australia. For example, the syndicate head in Operation Alizarin utilised associates and reverse money remitters to move between A\$100,000 and A\$200,000 on a weekly basis. The movement of money observed in this study is consistent with various government reports and studies in respect to sex trafficking. Money laundering is an intrinsic enabler of serious and organised crime. .... The consistent theme identified in the current study is that large amounts of money have been laundered overseas and that those criminal syndicates involved in sex trafficking in Australia were making significant financial profits. In respect of laundering methods, it was clear that most of the trafficking syndicates used basic methods, predominantly through bank deposit transfers and international money remitters. There were only three cases, being Operation Alizarin, Operation Myrtle and Operation Raspberry that showed an indication of complex and high-level attributes of money laundering where the laundering process was outsourced to professionals. There is no existing research relative to Australia that explores the money laundering practices of human trafficking syndicates. This study found evidence of money laundering activity by the organised crime syndicates involved in sex trafficking” (Langhorn, 2018).
3. A man who allegedly made daily visits to Sydney brothels to recruit young women who could assist him in laundering money will face court on Monday, after \$1 million cash was seized from a vehicle in which he was travelling on a "cash run" from Melbourne to Sydney. Branimir Ilic, 38, was arrested on November 10 as he passed through the Southern Highlands, in a car that had a sports bag allegedly containing \$1 million cash in its boot. The targeted road stop followed months of investigation by Strike Force Bibury, first established by detectives from the Organised Crime Squad’s Money Laundering Unit and investigators from the NSW Crime Commission in May. Throughout the investigation, it is understood detectives observed Mr Ilic frequenting a number of brothels across Sydney on a daily basis, where they alleged that he was attempting to befriend escorts or sex workers to assist with money laundering under his instructions (Cormack, 2018).
4. Crown Resorts and a legal Melbourne brothel have been implicated in sex trafficking and money laundering. Asian sex workers have been flown into Australia on private jets

organised by Crown Resorts “junket” operators. Crown Resorts paid a brothel owner and alleged money launderer to lure high rollers to its Australian casinos and then provided them with money to gamble. Brothel 39 Tope has been repeatedly raided by police and subject to sex trafficking investigations between 2008 and at least 2015, while the operations of the brothel have led to major prosecutions of mid-tier workers over breaches of Victorian prostitution laws. Well-placed sources said the investigations into 39 Tope between 2007 and 2015 had resulted in successful organised crime prosecutions of mid-tier brothel workers in the County Court in 2015 and had exposed the exploitative conditions at Mr Pan's brothel. The sources said human trafficking charges were not laid because sex workers were too scared to testify... However policing agencies have repeatedly filed documents in court identifying Mr Pan as owning brothels involved in serious criminal activity and suspected human trafficking and as having alleged deep ties to organised criminals. ... the casino company had dealings with junkets controlled by Asian crime syndicates, including one of the world's biggest drug trafficking gangs, which are laundering money and importing drugs into Australia. Online articles in The Age in 2011 reveal that in 2008, the federal police rescued two suspected victims of human trafficking from Mr Pan's South Melbourne brothel. numerous court files reveal how a criminal syndicate that was supplying women to Mr Pan's brothel “enticed women to work in brothels in Australia” using dozens of mobile phones subscribed in false names. In late 2015, County Court Judge Gavan Meredith said this syndicate was involved in the “laundering of funds generated from the work of ... women who were placed in a situation of potential vulnerability”. “The potential for their exploitation was ripe.” Court files reveal how the trafficking syndicate “expressed a direct interest in making sure the sex workers performed as many units as possible” at Pan's brothel, and that “fines would sometimes be imposed if sex workers did not attend for work ... or didn't perform enough units”. Because of the difficulty getting fearful brothel workers to testify, the Federal Police charged members of the suspected trafficking syndicate with breaches of the Victorian Sex Work Act. While police did not charge Mr Pan, they aired evidence in court that implicated him as having links to serious criminal activity (McKenzie, Toscano and Tobin, 2019).

5. “Asian-styled ‘massage’ parlours comprise a large part of the NSW sex industry and are a sector that is wholly unregulated and unmonitored. There is no question that these venues are mediating the prostitution of women, and particularly women of Asian backgrounds. Massage parlours almost totally ignore local council requirements for business registration. They are often run by syndicates who transport women between different venues and locations. This takes place particularly for Asian-background women in the sex industry. It was reported in October 2011 that an “inner-city Sydney brothel specializes in Korean prostituted women and is closely linked to the Comancheros outlaw motorcycle club and senior Asian organised crime figures” (McKenzie & Beck, 2011). In March 2008, three people were arrested in Sydney for sexually enslaving 10 Korean women, and in December 2008, a Korean woman thought to have been involved in Sydney's sex industry was found dead in an apartment (Ramachandran, 2008).” (Norma, 2015).
6. Germany, 2019: Europe's largest chain of ‘wellness spas’ that sold sex as a health service for men was in reality trafficking women to be prostituted. They were deceived, mistreated, beaten. Legalisation of the sex trade in Germany led to a huge boom which brings in sex tourists and trafficked women. Increased demand requires more women; gangs began trafficking women from eastern Europe. Women were set daily targets of 500 euros a day and beaten around the head if they failed to deliver. They were forced to undergo breast enlargement surgery and were tattooed with the pimp's name. Young women wept after their first night at work. It is estimated that more than 90% of Germany's prostituted women are from SE Europe and Africa, and half are under 21, with limited German and only basic

education. With many traveling abroad for the first time, often not even knowing which city they are in, the likelihood they have been trafficked is very high (Lorenze, 2019).

## Appendix 2: Key aspects of Nordic Model legislation.

(What is the Nordic Model? From *Nordic Model Now!* <https://nordicmodelnow.org/what-is-the-nordic-model/> )

- Full decriminalisation of those who are prostituted, acknowledging that the majority of women and children enter prostitution as a result of childhood abuse, poverty and misfortune, grooming, coercion, and/or betrayal, rather than as a free choice between a number of viable options. Nordic model also calls for the clearing of their criminal records for past convictions of prostitution.
- High-quality services for those in prostitution; harm reduction as well as exit support; housing, legal advice, addiction services, long-term emotional and psychological support, education and training, and childcare.
- Buying sex to be made a criminal offence, in any part of the world. The aim is to change behaviour, not criminalise people; recommended maximum sentence is one year in prison.
- Procuring, pimping and sex trafficking legislation must be strengthened, reflecting that all of these are human rights abuses. Policing must be fully resourced and prioritised.
- All factors that drive people into prostitution must be addressed. Prostitution is not the answer for the poor, disadvantaged, recent migrants, single mothers, or children in the foster care system, or for anyone. Minimum income is one way to address this.
- A holistic approach:
  - Public information campaign
  - Education programmes in schools
  - Training for police and others
  - Laws to be prioritised and coordinated nationally

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