

‘Foreign Relations’ Bill: Gutless federal ALP hangs states, manufacturers out to dry

18 Nov.—The federal caucus of the Australian Labor Party has demonstrated once again that Australia is a one-party state where so-called “national security” and foreign policy are concerned. Labor has pre-emptively caved in to Prime Minister Scott Morrison’s demand to give Canberra power to veto all existing and prospective engagements between State and Territory government entities and their foreign counterparts—which is to say, to prohibit congenial relations with China. In so doing the ALP has betrayed both its state-level colleagues, notably in Victoria and resource export-dependent Western Australia, who have done the most to hold the line against Morrison’s McCarthyite turn; and its traditional constituency, the Australian working man and woman whose livelihoods Labor’s own policies have made dependent upon continued good relations with our nation’s largest trading partner, which it now proposes to help Morrison destroy.



Hofmann Engineering in Bendigo is manufacturing the bogie frames for Victoria’s High Capacity Metro Trains project, the state’s largest ever train order which has created 1,100 local manufacturing jobs. The federal government’s attacks on China and Victoria’s Belt and Road MOU are a threat to these jobs. Photo: Evolution Rail

On the pretext of combatting first terrorism and more recently “foreign interference”, Australia in the past two decades has enacted a world-record 86 pieces of so-called national security legislation. When in government in 2007-13 Labor was indistinguishable from the Liberals in its zeal for ever more police-state powers; in opposition, its *modus operandi* has been to let out a token whine about whatever outrage against civil liberties the Liberals have sought to enshrine in law, then wave them through anyway with the promise to amend them when and if it ever returns to government. It foreshadowed that it would do so once again by endorsing, sight unseen, the “Australia’s Foreign Relations Bill (State and Territory Arrangements) Bill 2020” when Morrison announced it on 27 August, and according to the 11 November *Australian Financial Review* it is set to follow through despite having identified serious problems with the Bill during the obligatory Senate review process. “Two key pieces of legislation aimed at curbing Chinese influence in states, universities and foreign investment will become law after Labor agreed to wave through the bills even if its amendments are rejected”, *AFR* reported. One involves changes to Foreign Investment Review Board (FIRB) rules to “apply a new national-security test to a codified category of assets defined as a ‘sensitive national security business’ subject to offers from both foreign state-owned enterprises and private companies ... [including] within the energy, telecommunications, ports, water and data sectors”— though as the *Australian Alert Service* has reported, ^[1] neither party has any problem selling such assets to foreigners (Canadian pension funds, for example), just so long as they are not Chinese.

Of the Foreign Relations Bill, *AFR* reported that after a 10 November Labor caucus meeting, foreign affairs spokeswoman Senator Penny Wong said that “while Labor supported the objectives of the Foreign Relations Bill, the government should rewrite the legislation because it was prepared hastily without proper consultation”. Therefore, “Labor would pursue a number of amendments, including requiring the minister to provide reasons for terminating agreements, create a mechanism to review decisions, tighten definitions because of concerns tens of thousands of contracts could be exposed to sovereign risk, and the impact on the controversial 99-year lease to a Chinese company of Darwin Port.” The latter is pure political posturing by Wong: the lease of the (tiny, old and hardly used) Darwin Port facility to Chinese private company Landbridge Group in October 2015 was negotiated by the Country Liberal Party government of NT Chief Minister Adam Giles, and approved by Liberal PM Malcolm Turnbull and then-Treasurer Morrison, back before the Liberals bowed to Anglo-American pressure and put relations with China to the torch. The other objections, whilst valid, are meaningless coming from Labor, and the demand for amendments mere hand-waving, in light of its pre-emptive surrender, since among the crossbench parties only the Greens have categorically rejected the Bill, while most of the rest will likely support it given they are as Sinophobic as the Liberals if not more so.

Target: Victoria

As the AAS reported when it was announced, Morrison's Foreign Relations Bill purports to give the federal government direct control of every aspect of Australia's dealings with the outside world. It is ostensibly designed to protect Australia's "national sovereign interests" from all comers, but government sources have made quite clear via establishment media that its main purpose is to enable Canberra's intelligence establishment to destroy what little is left of Australia-China relations. As Monash University law professor and former Australian diplomat Andrew Farran [wrote](#) 1 September in the online policy journal *Pearls and Irritations*, should the Bill become law it will "have serious implications for all manner of organisations, cultural groups, twin towns, as well as scientific bodies and universities. The implication is that their activities facilitate Chinese penetration of sensitive areas of Australian life, including theft of intellectual property, undue influence, and espionage in one form or another."

Whilst Morrison and other ministers and government officials have been careful not to say so, various other members of Parliament—notably the insufferably juvenile "Wolverines"^[2] clique of Liberal and Labor back-benchers— have made it known that the new law's first target will be the Victorian government's memorandum of understanding with Beijing on participation in the Belt and Road Initiative (BRI), China's world-spanning program for cooperative, infrastructure-driven economic development. Contrary to media propaganda, neither the 2018 MOU nor the associated 2019 "framework agreement" are legally binding upon either party. (Nor, for the conspiratorially minded, does the deal involve installation of Chinese-made 5G systems, for facial-recognition surveillance or otherwise, Chinese 5G equipment being subject to federal importation bans.) Rather, they set forth a roadmap for key areas of cooperation, including: research and innovation in high-end manufacturing, biotechnology and agriculture technology; infrastructure design, engineering, construction, and project financing; and enhancement of two-way trade and of trade to third-party markets, especially in the areas of food and other agricultural products—in short, everything the Morrison government has correctly identified as areas critical to Australia's recovery from the present economic crisis, but has not lifted a finger to make happen.

Unable to rip up the deal unless and until the Bill is passed, the federal government and state Liberal Party opposition have instead been trying to press Premier Daniel Andrews into renouncing it. A favourite tactic has been to have the NewsCorp-owned *Herald Sun* and Sky News spread the lie that Andrews failed to consult, or even inform federal authorities of his intention to sign the MOU; whereas in fact, as even NewsCorp's flagship newspaper *The Australian* reported in May, then-head of the Department of Foreign Affairs and Trade's (DFAT) Northeast Asia branch Graham Fletcher had given his department's in-principle blessing to the agreement in May 2018, then hosted a formal reception in Beijing for a Victorian business and state government delegation in October 2019 in his new role as ambassador to China. Amusingly, Sky News tried to catch Andrews out at a 9 November press conference with a "gotcha" question, regarding a June 2018 email from his Premier's Department to DFAT asking for feedback on the proposed MOU to be fast-tracked as it was a "high priority for Victoria". Andrews however turned the tables by remarking: "This is really interesting, isn't it? Because for the longest of times I was accused of not having consulted DFAT. The very email you're quoting from would put the lie to that."

Jobs on the line

Another factoid media have used to insinuate a cosy relationship between Andrews and his supposed Chinese masters is that Victorian industries had heretofore been unaffected by China's crackdown on various Australian exports, based on safety inspection standards or longstanding labelling issues and dumping complaints.^[3] That ended last week when China suspended imports of timber from Victoria, reportedly over concerns of infestation by bark beetles. hilariously, the same Victorian Liberal opposition that for over a year has hounded Andrews to rescind the BRI deal is now demanding, via a letter to the editor from its ports and freight spokeswoman Roma Britnell MP published in the 18 November *Weekly Times*, that he make use of his "strong relationship with China" to "fix this escalating trade stand-off" instead of leaving it to the federal government (which deliberately provoked it in the first place, but of course she didn't mention that).

If Morrison does tear up the BRI deal and ban state deals with Chinese state-owned companies, high-end manufacturing jobs of the kind he claims he wants to promote will be the first to go. In 2018 the Andrews government contracted with a joint venture called Evolution Rail to conduct a major upgrade of the Melbourne metropolitan and Victorian regional railways. One partner in that joint venture is the Changchun Railway Vehicles Co. Ltd, a division of the Chinese state-owned CRRC Corporation, the world's biggest maker of railway rolling stock. As noted in a June 2018 article in online industry journal *Rail Express*, the cars for Melbourne's new High-Capacity Metro Trains (HCMTs)—the first of a planned 65 of which are currently undergoing operational testing, and which will become the mainstay of metro train services in 2025— arrive from Changchun as shells, after which the running gear is manufactured and installed locally, providing some 1,100 high-skilled jobs. "The \$2.3 billion train construction project will see 60 per cent of the total content provided from Victorian companies, with bogie frames being built in Bendigo, traction and electrical systems made in Morwell and key electrical components and pantographs from Hallam", *Rail Express* reported. An update on Evolution's

website further states that it has “committed to at least 15 per cent of the workforce as apprentices, cadets and trainees and seven per cent of the jobs created will be for people facing barriers to employment and displaced workers ... [including] from the automotive industry. Through the local supply chain we will help create jobs in regions that have been hardest hit by closures in the manufacturing sector.”

Canberra’s national security establishment, however, via its war-mongering think tank the Australian Strategic Policy Institute (ASPI), has demanded that CRRC be railroaded out of the project because it allegedly benefits from the “forced labour” of Muslim Uyghurs held in “mass detention” in China’s northwestern Xinjiang Province. ASPI initially published these allegations in early March, and ABC News helpfully resurfaced them in October in order to pile the pressure on Andrews. As AAS has already reported, ASPI’s claims are based on deliberate academic fraud, including the mistranslation of Chinese government documents, while ironically it has itself benefited from forced labour in US

prisons for its arms-maker sponsors.^[4] Meanwhile, Victorian Transport Minister Jacinta Allan told ABC Radio on 5 October that she had had her department investigate ASPI’s allegations when they first arose. “I was advised that there was no evidence of that”, she said. “I made immediate inquiries with my department and was provided assurances, when it came to the project for the Victorian trains, that those allegations were not correct.” Evolution Rail and HCMT project participants Alstom and Bombardier also investigated and found nothing. Andrews retorted when pressed, “I don’t spend every day on the phone to national security agencies asking ‘what if’ questions. If they’ve got an issue then I’d be confident they would raise it with us. To my understanding they haven’t.” Tellingly, he noted further, no-one has taken issue with the fact that CRRC also supplies trains to the Liberal government of New South Wales.

By Richard Bardon, Australian Alert Service, 18 November 2020

Footnotes:

[1]. [“Who’s buying Australia? Oh, Canada!”](#), AAS, 16 Sept. 2020.

[2]. The name comes from the 1984 movie *Red Dawn*, a paranoid Cold War fantasy in which a group of American teenagers fight a guerrilla war against a Soviet-Cuban airborne invasion of Colorado. Readers fortunate enough not to have seen it may rest assured that it is as dumb as it sounds.

[3]. [“Trading with the enemy?”](#), AAS, 11 Nov. 2020.

[4]. [“ASPI: forced labour hypocrites and academic fraudsters”](#), AAS, 14 Oct. 2020; see also M. Reubenstein, “ASPI’s forced labour links”, APAC News, 12 Oct. 2020.