



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**BILLS**

**Australian Research Council  
Amendment Bill 2019**

**Second Reading**

**SPEECH**

**Tuesday, 11 February 2020**

BY AUTHORITY OF THE SENATE

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## SPEECH

**Date** Tuesday, 11 February 2020  
**Page** 628  
**Questioner**  
**Speaker** Carr, Sen Kim

**Source** Senate  
**Proof** No  
**Responder**  
**Question No.**

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**Senator KIM CARR** (Victoria) (12:33): Anyone familiar with the university sector knows that research funding is an increasingly contested matter. I'm not referring to the total amount of Commonwealth funding provided through the Australian Research Council, although that is a continuing issue. Last month, the education minister squeezed the funding a little further by sequestering \$12 million for a special research initiative. I'll have more to say about that issue in the committee stages of the bill.

Today I want to talk about the importance of international collaboration for Australian universities. As I've argued before, such collaboration is essential if Australian scientists are to punch above their weight. Australia has neither the scale of physical or human capital nor a sufficiently large domestic market to engage the international frontiers of technology by itself. This country spends about \$25 billion a year on R&D, compared with about \$500 billion each year by the United States and China. Slightly more than half of our R&D spend is by business, but that's mostly on applications of existing knowledge. Universities are the main institutions in Australia for engaging in the discovery of new knowledge. Measured by articles cited in peer reviewed journals, collaboration with China and a range of other countries is increasingly important. In some areas, it's actually vital—in materials science, energy, engineering, and computer science. Collaboration with Chinese researchers has also led to life-saving breakthroughs in medical science. Possibly the most famous is the development of Gardasil, the vaccine produced by Professor Ian Frazer and Dr Jian Zhou. Now, I assume that no-one wishes that work had never been undertaken, but increasingly there are people who do want to obstruct research collaboration with China.

In parts of the defence and security establishment, there are hawks intent on fighting a new cold war. They have waged a muttering campaign against collaborations with China and have found eager acolytes in sections of the Australian media. The result has been a spate of stories thick with assertions that vilify and denigrate Australian researchers and their work. Doubt is cast on their loyalty to Australia. These stories, however, offer no evidence that any of these researchers have actually acted as cat's paws of a foreign power. Yesterday, for example, on the front page of *The Australian*, under the lurid headline, 'Security experts warn of military threat from Chinese marine project', doubts were raised about a five-year, \$20 million partnership between the CSIRO and China's Qingdao National Laboratory for Marine Science and Technology. Those allegations were repeated again today. This joint project, the Centre for Southern Hemisphere Oceans Research, conducts research into ocean temperatures and currents and their role in climate change. The centre is headed by the highly regarded CSIRO researcher Dr Cai Wenju. The *Australian* report, however, hints that there is something sinister in the research collaboration because Qingdao University also conducts research into the development of satellite based lasers to locate submarines. The report does not cite any notifications of any breach of security by CSIRO or any notification of investigation of a possible breach. To my knowledge, none has occurred.

CSIRO responded to the report, with Dr Larry Marshall, the CEO of CSIRO, writing to *The Australian*. That letter to the editor was edited very heavily, to a form that one might say is doctored. I will quote from the letter that was actually presented to *The Australian*, not the one that appeared in the paper today:

To imply the Centre for Southern Hemisphere Oceans Research (CSHOR) poses a national security risk, without any supporting claims of fact, is alarmist and irresponsible reporting. With all CSHOR research outcomes available in the public domain, calls for greater transparency about this research are disingenuous.

Let me not be misunderstood in any way. I'm not suggesting that universities or public research agencies need have no concern about whether their research affects national security. But we should act with regard to evidence and proven fact, not ideologically driven assertions.

This country already has stricter regimes on research collaboration than the United States. I'm not aware of any reports of scientific report of fraud as has occurred in the United States. The Defence Trade Controls Act 2012 was introduced under the former Labor government in response to concerns that it was too easy for other nations and perhaps non-state actors to obtain sensitive materials from this country. The act regulates access to technologies

placed on the Defence and Strategic Goods List, which are reviewed annually. The defence department is in contact with universities and industry to ensure their compliance. Since the act was introduced there has been no reported breach by an Australian university. The operation of the act has been independently reviewed by Dr Vivienne Thom, a former Inspector-General of Intelligence and Security. In her report of October 2018, she rejected calls for tougher restrictions on technology transfer.

In November last year, the education minister announced new guidelines agreed to by the universities for vetting international research collaboration. Media reports with headlines such as 'Rooting out campus spies' announced the new vigilance measures. Universities will have to work more closely with security agencies, upgrade their cybersecurity and 'identify staff who have international financial interests or affiliations with foreign institutions'. I ask: are these staff the campus spies who are supposed to be rooted out? The media reports don't say. Of course, they do cite alleged instances of dangerous collaborations, and the most frequently mentioned is the facial recognition technology involving the Chinese surveillance of the Uyur minority in Xinjiang. According to the reports in the *Australian*, an artificial intelligence company formed by a University of Queensland professor is alleged to have used this surveillance. In the *Australian* report the weasel word 'alleged' is used. I repeat: because there have been no reports of breaches of the defence control act by any Australian science agency, I find it strange that the *Australian's* report is not able to provide any context to understand the manner in which this research is undertaken.

It's important to state that this country has no homegrown tech giants, such as Google. Here university research is essential in creating artificial intelligence knowledge. AI knowledge is the key to the technologies of the fourth industrial revolution, which is transforming the world's workplaces. Australia's leading collaborator, by far, is China. The implications of ending this collaboration should be clear.

In another report in the *Australian*, a University of New South Wales computer science professor is said to have 'co-authored research with Chinese generals linked to Beijing's nuclear weapons program'. If that were true, it would be a clear breach of the Australian defence export control act. No reports have occurred. Why is this happening? Because the global geopolitical environment has shifted substantially in the past five years and much of this has been focused on fears, particularly in the United States, about cyberwarfare and industrial espionage. The Trump administration has been seeking stricter restrictions on science and technology exchanges with the Chinese, and there have been very willing advocates here in Australia for such a position, and one of those is ASPI, the Australian Strategic Policy Institute. ASPI has launched the China Defence Universities Tracker, a website dealing with the defence and security links of more than 160 Chinese universities and research agencies. Just what the tracker will do that is not already being done by the defence department and the Australian universities under the Defence Trade Control Act is not clear to me. But what is clear is the source of the funding: ASPI acknowledges that it's the Global Engagement Center of the United States state department. The Global Engagement Center coordinator is one Ms Lea Gabrielle. She's described on the United States state department website as a former US navy fighter pilot who later trained with the CIA and was assigned to the Defence Intelligence Agency. So, while ASPI has not found any Chinese spooks yet, at least one other spook is in plain sight.

ASPI is registered under the Foreign Influence Transparency Scheme and has disclosed that it is receiving state department funding under the requirements of the scheme, but no details are provided. Of course, there's nothing in ASPI's annual report for 2018-19. It merely says that income of \$448,000 'has been received in advance for sponsorship of ASPI programs for the financial year 2019-20'. So the US government's funding of nearly \$450,000 for this tracker report has been withheld from the readers of ASPI's annual report. So much for full disclosure and transparency! Just imagine if other organisations tried to make their public records so vague. If it's fair to scrutinise and to challenge the funding arrangements of researchers in Australian universities and science agencies, surely it's fair to subject ASPI's funding arrangements to the same level of scrutiny. ASPI receives core funding of \$4 million from the Department of Defence but takes in more than double that amount in commissioned and sponsored income and earnings from other events. The money that the Global Engagement Center provides to ASPI's China Defence Universities Tracker is an example of that supplementary funding.

ASPI has other sponsors—the French aerospace and defence manufacturer Thales, for example, which has had a long involvement in this country. This is a company I have had a longstanding engagement with as well. It is a very fine company operating in this country. Thales is also an investor in China, including in the development of the air traffic control management system for Beijing International Airport. Mr Jerome Bendell, Thales Group's vice-president for North Asia, says:

The Group is a committed, and key partner in China's journey to becoming a more digitalized and innovative country.

There's nothing wrong with that, of course. But it is puzzling that ASPI hasn't made much more of it, given the way it treats our science agencies and universities. It berates Australian researchers for collaborating with Chinese partners but ignores the fact that some of its own sponsors do the same. It's a simple proposition.

We have seen a report in today's *Australian*—I'll say more about this in a moment—of the ARC providing grants of over \$250 million over the past five years to Australian researchers and Chinese collaborators. Nothing about that was done improperly. It is totally consistent with government policy. This selective use of these so-called collaborations has become all too common. Just because it's selective doesn't make it right. We should make it clear: if you're going to play to this level of scrutiny, then ASPI is entitled to be scrutinised in exactly the same way.