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**WESTERN AUSTRALIAN ABORIGINAL COMMUNITY CONTROLLED HEALTH  
ORGANISATION, ALLEGATIONS AGAINST FORMER MINISTER FOR HEALTH**

*Matter of Public Interest*

**THE DEPUTY SPEAKER** (Mrs D.J. Guise): Today I received a letter from the Leader of the Opposition seeking to debate as a matter of public interest the following motion -

That this House calls on the Gallop Labor Government to establish an independent inquiry to fully investigate -

- (a) the failure of the former Minister for Health, Bob Kucera, his office, the agencies under his control and senior officials of the Department of Health to act appropriately with regard to specific allegations of fraud and misconduct within the Western Australian Aboriginal Community Controlled Health Organisation (WAACCHO) involving taxpayers' money;
- (b) allegations made against the former Minister for Health regarding the bullying, threatening and intimidation of a public servant;
- (c) the failure of the Premier and his office to act appropriately with regard to the specific allegations of fraud and misconduct and allegations of impropriety made against the former Minister for Health; and
- (d) the failure of the Premier, the former Minister for Health and senior officials of the Department of Health to protect whistleblowers.

If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The DEPUTY SPEAKER: The matter shall proceed on the usual basis.

**MR C.J. BARNETT** (Cottesloe - Leader of the Opposition) [3.23 pm]: I move the motion.

This matter has been brought before this Parliament at the first possible opportunity because of the Premier's failure to act on a clear-cut issue of ministerial conduct and open and accountable government. It now falls to the Parliament to do what the Premier has failed to do. This motion is all about the failure of Hon Bob Kucera, in his capacity as Minister for Health, to act on clear information of fraud.

*Point of Order*

Mr J.C. KOBELKE: Of late, the Speaker has been quite strict in requiring members to be referred to by their electorate or ministerial title. The Leader of the Opposition has transgressed a clear ruling given by the Speaker in recent months.

Mr R.F. JOHNSON: The minister's name is mentioned in the substantive motion. It is therefore perfectly in order to allow the minister's name to be used.

The DEPUTY SPEAKER: The standing order that refers to how members are addressed in this place is clear, as is the Speaker's ruling. Perhaps the member's name is referred to in the motion inappropriately. The Leader of the House is correct. The point of order is upheld and members in this place will be referred to by their electorates or their ministerial titles.

*Debate Resumed*

Mr C.J. BARNETT: This matter is about the conduct of the former Minister for Health - his failure to act on information relating to fraud and the abuse of a whistleblower. It is also about the conduct of the Premier, his department and staff. It is a serious matter.

In question time an attempt was made by the Premier and the current Minister for Health to somehow trivialise this issue. I can describe it only as a pathetic, shallow and dishonest attempt to divert attention from the conduct of the former Minister for Health by trying to in some way discredit the member for Darling Range. I want to make clear at the outset what the present Minister for Health tried to do. It was clearly dishonest on his part. He and the Premier displayed conduct in this Parliament that is unbecoming for a Premier and an Attorney General, who is also the Minister for Health. Members should listen and understand the standards shown by the leadership of the Labor Party in this Parliament. In his ministerial statement the Attorney General and Minister for Health refers to a memo sent to the member for Darling Range when he was Minister for Health. The statement reads -

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As far back as December 1998 a contentious issue note was sent to the then Minister for Health, the member for Darling Range, from his department, making him aware of fraud allegations involving an officer inside WAACCHO.

Let us examine what it was. It sounds dramatic in the context of this issue: WAACCHO secretariat - allegations of fraud. The minister waded around in front of the media a memo from Alan Bansemer. What does the memo say? It states that the department had received formal advice from the chairperson of WAACCHO that an officer of the organisation had been suspended while allegations of fraud were being investigated. In other words, the head of the health bureaucracy advised his minister that an officer had been suspended and investigations were under way. The present Minister for Health was not content with that little attempt to mislead the media, the Parliament and the public; he referred to another matter. I refer again to his ministerial statement, which reads -

There was also a failure by the then Minister for Health, the member for Darling Range . . .

His statement concludes -

The Minister for Health's response was -

The Western Australian Government provides funding to many community based organisations and these organisations are expected to manage their own finances.

The member for Darling Range effectively washed his hands of the matter.

What was the imputation? The imputation was that somehow there was some other major failing. What issue was being referred to? Was it \$1 million worth of fraud or the suspension of an officer on the basis of fraud? No. The documents reveal that the issue involved an unpaid account for accommodation at a motel. Indeed, this is not about fraud; this is about an unpaid account.

Dr G.I. Gallop: What sort of world do you live in?

Mr C.J. BARNETT: It is called the real world. Let me read to the Premier what the member for Darling Range replied. This is about an unpaid account. This is what the Attorney General and the Premier contrived to have read out in the Parliament today. I will repeat the Attorney General's quote from the member for Darling Range's letter.

The Western Australian Government provides funding to many community based organisations and these organisations are expected to manage their own finances.

Then the Attorney General went on to say that the member for Darling Range washed his hands of it. The Attorney General failed to emphasise that this was about an unpaid account for accommodation and had nothing to do with fraud. He also omitted to read out the rest of the letter. Had the Attorney General and the Premier been honest in this Parliament, the Attorney General would have included in his statement the following paragraph from the member for Darling Range -

However, I appreciate the strain that non-payment of accounts can place on a business and have asked officers of the HDWA to discuss this matter with Ms Di Potter of WAACCHO and arrange for the matter to be resolved as quickly as possible.

In other words, he acted. What a shallow, dishonest attempt to try to discredit someone. The Attorney General is a joke. What are we talking about? We are talking about a missing million and we have a Premier and an Attorney General who start to raise something about an unpaid hotel account. That is an absolute attempt to discredit someone and to mislead this Parliament. They should be ashamed of themselves. If that is the Premier's response, he should be ashamed. It was a pathetic, dishonest attempt to divert attention from the conduct of the Minister for Small Business and for Tourism, who has a great deal to answer for in this Parliament. I hope he gets up and answers for his performance.

I will briefly go through what this issue is all about. First, I will trace the events. As we know, the Western Australian Aboriginal Community Controlled Health Organisation is a peak representative body for Western Australia's 19 Aboriginal health services. Early in 2000 a mid level public servant warned about continuing to give taxpayers' money to WAACCHO. In February 2000 the manager of the Office of Aboriginal Health warned of significant concerns regarding management and inappropriate expenditure. A memo was then sent to the Office of Aboriginal Health concerning lack of process, lack of accountability and so on. In March 2001, just after the election, a whistleblower wrote to the Premier and raised concerns about the loss of money and the awarding of contracts within the Department of Health. The Premier replied that he would ensure that the then Minister for Health had a copy of the letter, as his Government was going to clamp down on corruption and mismanagement in the public service. In December 2001 the then Minister for Health was given a briefing on

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prima facie evidence of fraud. In other words, the fraud may have gone back several years. The inquiries and investigations started under the previous Government, but it was to that person, as the minister, that the allegations of fraud - the prima facie case - came. I will read the memo to the former Minister for Health of 19 December 2001. It states -

Information in the possession of the Department gives a *prima facie* indication that fraudulent and other dishonest behaviour involving members of WAACCHO may have occurred and may be actionable by relevant regulatory/prosecuting bodies.

In other words, the problem may have a history. The investigations took place and the evidence, the proof, was brought to the then minister in December 2001. In March 2002 the Department of Health received a special audit report from WAACCHO. In July 2002 Deloitte Touche Tohmatsu conducted an internal audit. In August 2002 a draft audit from Deloitte Touche Tohmatsu was referred to the Anti-Corruption Commission, but it was outside the commission's jurisdiction.

Dr G.I. Gallop: Say that again. It was referred to the ACC and he claims nothing was done! Well done!

Mr C.J. BARNETT: That is right; it was not in its jurisdiction. In October 2002 a whistleblower had a meeting with the then minister, with seven other people present, at which the minister was described by the whistleblower as becoming angry and bullying. In November 2002 the audit by Deloitte Touche Tohmatsu found that \$927 148 had gone missing from WAACCHO - the missing million. We can follow the events for a year. The minister was advised of a prima facie case of fraud and it was documented. We are not talking about an unpaid motel account; we are talking about a missing million. The audit report recommended further recovery procedures and the like.

We now get to 2003. Time has passed since December 2001. After the internal Department of Health audit, the matter was referred finally to relevant authorities, including the police. The police were notified in April 2003. How much more money went missing during that period of inaction by the former Minister for Health? In May 2003 the whistleblower, Jean Thornton, wrote a letter to the Premier detailing the misappropriation of funds and bullying by the then minister. I will read to members her letter, because only recently has whistleblower legislation been introduced into Parliament. Backbench members of the Labor Party should listen to what an experienced public servant with no axe to grind, a respected member of our community, had to say. Her letter to the Premier states -

You can imagine then how I felt when I told the Minister what was . . . happening in the OAH and he became angry and bullying towards me.

It goes on -

He then told me that I should watch what I said as I could be 'sued for slander'. At this point I became upset and left the meeting - I had gone there for help, not to be harassed and threatened.

That is what a senior public servant, approaching retirement and with no axe to grind and no cause to pursue, said as a whistleblower to the Premier, believing that she was doing so in confidence and would be treated with respect and some confidentiality. She had every reason to expect that, because of course we had a policy - a policy produced by the Premier. I will refer to Labor's accountability policy of 2001, on which he went to the election. This is what all members opposite went to the election on. The policy states -

There is a need to protect those that disclose information on the basis of the public's right to know, while also guarding against malicious disclosures.

Public servants who 'blow the whistle' on corruption, maladministration and waste within government and the public sector will be protected - not persecuted - under a Gallop Labor Government.

Labor sees whistleblower laws as a vital factor in the development of a more open, accountable and responsible government in this State.

Does Ms Jean Thornton feel protected and respected? I do not think so; not by the minister nor by the Premier, to whom she went in good faith with allegations of misconduct. She was intimidated and bullied by the then Minister for Health. She was let down by the Premier when she was simply seeking to look after the interests of the State in wanting accountability for public money and the interests of Aboriginal people in wanting to ensure that those dollars reached Aboriginal health care. The Premier let her down and he publicly defended the actions of the then Minister for Health. He dismissed her allegation as unimportant; it was a trivial matter.

Dr G.I. Gallop: When did I say that?

Mr C.J. BARNETT: The Premier was dismissive of the whole allegation. He failed to bring into line the former Minister for Health. When challenged, he said that he had had a chat to the minister, who told him that it was all

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okay and it was just a bit of a heated discussion, or words to that effect. It was not a heated discussion. She felt intimidated and threatened by the conduct of that minister, and the Premier failed to act. Talk about open and accountable government! This is a stand-up, clear-cut case of a missing million dollars. There was information of fraud. A prima facie case was taken to a minister, who failed to act for 16 months. A whistleblower advised the Premier in good faith, and what did the Premier do? He sent the letter to the very people against whom the allegations were made. Is that confidentiality? Is that protection? The letter was addressed to the Premier in confidence. The Premier failed that person and everyone in the public service who has standing and integrity. The Premier then let his chief of staff take the blame. A weak Premier is one who will not accept responsibility. This Premier does not do that. He should not let one of his employees fall on his sword and take the blame. I do not think I have seen a weaker performance by any Premier or minister in this State. Other members might use more emotive language, but I will say only that it was disappointing to the highest level that the Premier allowed a senior public servant on his staff to take the blame because the Premier did not have the integrity or courage to stand up and discipline the former Minister for Health. The Premier did not accept any personal responsibility for the way in which he and his staff treated that whistleblower. The Premier should be ashamed of himself. His commitment to the protection of whistleblowers is a sham and has been exposed as such by the saga of this whistleblower and the missing million.

**MR J.H.D. DAY** (Darling Range) [3.40 pm]: The Labor Party is true to form. It has its back to the wall and is under fire, so it tries to fling around a bit of dirt. It wants to make it look as if someone else is implicated when that is far from the truth. The Leader of the Opposition has very effectively pointed out the absolute dishonesty of the present Minister for Health and the Premier, particularly in what they selectively quoted in brief ministerial statements to the Parliament today and distributed to the media yesterday.

Mr J.C. Kobelke: Will you explain your inaction?

Mr J.H.D. DAY: I will certainly explain the situation, as the Leader of the Opposition has just done. It is the case, according to what has been tabled by the Government, that a briefing note was supplied to me in December 1998. I assume that information is accurate.

Mr J.A. McGinty: Is it your signature on the bottom of the document?

Mr J.H.D. DAY: It is my initial.

Several members interjected.

The DEPUTY SPEAKER: Order!

Mr J.H.D. DAY: The briefing note is in part headed "Allegations of Fraud".

Mr N.R. Marlborough interjected.

The DEPUTY SPEAKER: Member for Peel!

Mr J.H.D. DAY: We can see how the Government acts when it is under pressure. The briefing note is headed -

Mr N.R. Marlborough interjected.

The DEPUTY SPEAKER: Member for Peel!

Mr N.R. Marlborough interjected.

The DEPUTY SPEAKER: I call the member for Peel to order for the first time.

Mr J.H.D. DAY: The briefing note is headed "WAACCHO Secretariat - Allegations of Fraud". I do not have access to the departmental records - of course - but from the best information I can obtain I understand that it related to \$5 000. It was not \$1 million but \$5 000.

Several members interjected.

The DEPUTY SPEAKER: Order, members!

Mr J.H.D. DAY: This Government is acting dishonestly. It is desperate and is being devious. This briefing note starts -

The Department has received formal advice from the Chairperson of WAACCHO, Pat Kopusar that an officer of the organisation has been suspended while allegations of fraud are investigated.

It is far from the case that nothing was done, which is the impression the Minister for Health tried to create. I was advised by the then Commissioner of Health, Alan Bansemer, that action was being taken. The briefing note continued -

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WAACCHO is currently conducting an internal investigation which is due to be completed within days.

...

I shall keep you advised of progress on this matter as facts come to hand.

Action was taken in the time of the previous Government. That was noted by me as minister. Why would a minister who had been advised that a concern had been raised and was being investigated do anything other than note it?

The second piece of evidence - in inverted commas - that the Minister for Health has sought to rely on is a letter from Glenvale Lodge - not the Brighton Road motel as he erroneously referred to it in his brief ministerial statement. The Government cannot even get that part right. The place in question was the Glenvale Lodge. It shows how shoddy this Government is when it cannot even get that sort of detail right.

Mr J.A. McGinty: I said "a Brighton Road motel".

Mr C.J. Barnett: You cannot get the name right.

Dr G.I. Gallop: What road is it in?

Mr J.H.D. DAY: It is the Glenvale Lodge.

Mr J.A. McGinty: Is that on Brighton Road?

Mr J.H.D. DAY: Yes, but it is not called the Brighton Road motel.

Several members interjected.

The DEPUTY SPEAKER: Members, I think I have allowed a fair bit of latitude on this subject. We seem to be straying somewhat from the matter at hand. If we listen to the member with the call, we might be able to get back to the motion.

Mr J.H.D. DAY: I place on record, as did the Leader of the Opposition, that that letter related to an unpaid account of \$694. It is of course an important matter. The Minister for Health said that I washed my hands of the matter and that no action was taken. To the contrary, I wrote in my response to Glenvale Lodge -

However, I appreciate the strain that non-payment of accounts can place on a business and have asked officers of the HDWA to discuss this matter with Ms Di Potter of WAACCHO and arrange for the matter to be resolved as quickly as possible.

Action was taken, contrary to the impression the Government has tried to create.

Mr J.A. McGinty: The bill still had not been paid when you left government.

Mr J.H.D. DAY: I contrast the action that has been - or not been - taken by this Government and the former Minister for Health with the action I took when I was made aware of very serious concerns at King Edward Memorial Hospital. Amidst some very strong opposition, I set up a major inquiry into events at King Edward Memorial Hospital. That inquiry has never been completely finished, and some aspects of it have effectively been covered up by the current Government.

**MRS C.L. EDWARDES** (Kingsley) [3.46 pm]: I also support the motion before the House. The letter written by the whistleblower to the Premier was dated 1 May and was addressed to and received by his electorate office in Victoria Park. If the letter was marked personal and confidential and addressed to the Premier at his electorate office in Victoria Park, how did it get to his ministerial office? There are a number of scenarios. It was not until 13 June that the whistleblower was contacted. The Premier or his driver might have taken the letter to his ministerial office. Did the Premier spend the time between 1 May and 13 June trying to work out how to get the then Minister for Health out of trouble again?

Dr G.I. Gallop: Come on!

Mrs C.L. EDWARDES: The Premier was asked on radio on 28 July whether he knew anything about the letter, and he replied, "No, of course not." However, the story changed. On 28 July, he said that due process had to be followed. He said that he was sorry he did not know about it earlier. His media people contacted the media after the 6PR interview and said that a low-level officer made the mistake. It was indicated that that officer was probably the correspondence clerk. The letter, marked personal and confidential, could not have gone from the Victoria Park electorate office into the correspondence clerk's hands. A day later, the Premier said that it was not the correspondence clerk but Sean Walsh who made the mistake. The Premier is letting his chief of staff take the rap. The Premier said it was Sean Walsh's fault. How did the chief of staff get the letter, which was marked personal and confidential and addressed to the Premier's electorate office in Victoria Park? The Premier wants us to believe that he did not know anything about it. Either he did and is covering it up, or he did not -

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Dr G.I. Gallop: It is simple: he did not know about it.

Mrs C.L. EDWARDES: If he did not, it is because his office is doing the spin trick of trying to get the Premier out of trouble by keeping any bad news from him. Either way it is an absolute disgrace to this State. It was six weeks before the Premier and his staff worked out exactly what should happen. The Premier said that he receives something like 11 000 letters a year. Does he receive 11 000 letters at his electorate office each year?

The other issue is that the letter was marked personal and confidential and addressed to the Premier at his electorate office. It is not subject to freedom of information laws. People who write to the Premier at his electorate office do not want their letters to go to his ministerial office or the Premier's office. That is why they send their letters to the Premier. I can tell everybody in Western Australia that there is no sense sending any mail to the Premier marked confidential because it will go straight from the Premier's office to the people against whom the complaint is made.

The Premier believes the people about whom the complaint is made even before conducting an independent inquiry. That is why the Leader of the Opposition has called for an independent inquiry. This whistleblower has been persecuted, not protected. The Government does not believe her; it believes everyone else. The complaint about the Department of Health was sent to the Department of Health. Does the Premier believe the whistleblower or the Department of Health? He believes the Department of Health. The whistleblower complained about the former Minister for Health. Does the Premier believe the former Minister for Health or the whistleblower? The Premier did not even go to the union to verify the complaint. He said that the union had not complained to him. Did the Premier check the veracity of the whistleblower's allegation?

The Premier's letter to Ms Thornton, which he tabled today, accuses her of being a liar. The Premier believes everybody else but the whistleblower. What protection will whistleblowers get under this Government? Whistleblowers will get no protection under this Government from either the Premier or his ministers. It is an absolute disgrace. An independent inquiry is needed.

**DR G.I. GALLOP** (Victoria Park - Premier) [3.53 pm]: It is about time the facts were referred to on this matter. I will respond to each of the four points in the motion by dealing with the facts rather than the rhetoric we have heard from the Opposition. The first item is the way in which the Government dealt with the allegation against the Western Australian Aboriginal Community Controlled Health Organisation. In late 2001 specific concerns were raised about the current management of the health system. By current, I mean the Labor Administration and the current director general, Mr Mike Daube. I will tell members what the Government of the day has done about that matter.

WAACCHO is an incorporated association and is established under the Associations Incorporation Act 1987. The Department of Consumer and Employment Protection is responsible for the enforcement of that Act. Therefore, the Department of Health took the matter to DOCEP in December 2001. In February 2002, DOCEP took the matter up with WAACCHO, noting that there were issues that the department believed warranted further investigation. In March, the Department of Health received a special audit that WAACCHO had initiated. In late March 2002, the Department of Health specifically followed up with the Police Department issues related to the WAACCHO office. However, the Department of Health was advised that no charges had been laid. At that stage matters had been raised with WAACCHO and were referred to the relevant authorities.

In agreement with DOCEP, which administers the Associations Incorporation Act, in July 2002 the Department of Health appointed Deloitte Touche Tohmatsu to conduct an examination of the concerns that had been raised. A draft report was received from Deloitte in late August. The report expressed concern about expenditure without the appropriate authorisation or supporting documentation and said that a further audit investigation might be able to support a case for further action. It was at that point that the department referred the draft to the director of internal audit for review, and a report was to be written following the audit committee. The department also referred the matter to the Anti-Corruption Commission. The ACC said that WAACCHO was not within its jurisdiction and, therefore, would not investigate the matter.

The Deloitte report underwent two further drafts. One internal follow-up review went to the audit group and the audit committee in December. At the turn of the year there was adequate and appropriate evidence to present the matter to the police. The matter was referred to the police in April this year. The Department of Health has acknowledged that there should not have been a gap between when it received the information and April 2003 when the matter was referred to the police. During that period, which was the Christmas break - members will recall that the controversy surrounding Brookdale was current - the department did not act as quickly as it should have to refer the matter to the police. However, under the Labor Administration, the matter was referred to the police.

Mr M.W. Trenorden: Some 16 months later.

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Dr G.I. GALLOP: The former Minister for Health will speak for himself on that matter. Later in that year Deloitte received the final report.

They are the facts about what happened under the Labor Administration, rather than the rhetoric, innuendo and allegations made by the Opposition. That contrasts with what we heard this morning about this matter under the Liberal Administration. They are the facts and that is what Labor did.

The second item in the motion refers to the former Minister for Health. I raised this matter with the former Minister for Health. He indicated to me that matters were raised at the October 2002 meeting that related to the management of the Office of Aboriginal Health. Allegations were made about individuals and the minister outlined his concerns about the way that was being done. A heated discussion took place, but I am satisfied that the former Minister for Health did not intend to bully or intimidate anyone at that meeting. It is a very important matter. I will go further: indeed, the behaviour of the former Minister for Health following that meeting does not indicate support for such a proposition, which is important. At no time did the union representing the Department of Health employees raise a complaint with me about that matter. They meet with the Government frequently on issues relating to the public sector. The meeting occurred in October 2002 and I received the letter of complaint in May 2003. The comment by the member for Kingsley that I was accusing that person of telling an untruth does not befit the member. I have never said that. I do not say that now. Ms Thornton had strong feelings, and I acknowledge those feelings. However, that matter does not warrant an independent inquiry.

I refer to my office. I have dealt with this matter by way of a ministerial statement. The Leader of the Opposition and the member for Kingsley failed to point something out, which is typical of their approach. They do not worry about the facts any more; they just want to make a statement. They think that it does not matter what they say in this world because it will get reported in the media. That is their approach to politics. Labor does not operate like that. We operate on the basis of the facts.

I ask the member for Kingsley to tell me what I said in my statement to the Parliament today about the reference in the letter to the Department of Health and me? The member will not answer me. I remind the member of what I said in that statement. Before the Department of Premier and Cabinet sent that letter to the Department of Health, it consulted Ms Jean Thornton about it. It was agreed that that process would be followed. It is interesting that members opposite did not point that out in their speeches to this Parliament.

I have dealt with the third issue; namely, the Minister for Health.

The fourth issue is the question of whistleblowers. I made it clear that that person deserved and got a full and comprehensive response to the issues she raised. I did that. She got a seven-page letter outlining the response to all the questions she raised. In this matter she deserved and got that from this Government. The Director General, Department of Health, has also made it clear that her issues will be dealt with properly and without any victimisation. As a very well-respected member of the Department of Health, she continues to work on Aboriginal environmental health issues. It is ridiculous for those opposite to come into this place and say that somehow the Government, on the basis of what it has done, is not respecting the views of whistleblowers.

Mrs C.L. Edwardes: What does she say about being shifted sideways?

Ms S.E. Walker: She was moved on.

Dr G.I. GALLOP: I will tell the House about threats. I will give a definition of a threat. I refer to an article in *The West Australian* in 1998, which states -

A Kewdale Senior High School teacher was suspended for three days last month after he criticised the State Government in a letter to a local newspaper.

Mr M.W. Trenorden: And you said that was terrible.

Dr G.I. GALLOP: Indeed. The Minister for Education at that time, now the Leader of the Opposition, said -

State schoolteachers should show loyalty to their department and not criticise their employer publicly, Education Minister Colin Barnett told the Legislative Assembly . . .

That is what is called a threat and intimidation.

I will raise another matter that I believe is one of the most appalling episodes ever in Western Australian public administration. There was the pursuit of an employee of Main Roads. Even the Premier at the time had to point out to the Parliament that there were improprieties in the way in which that officer was pursued. That was the standard that the previous Government set in these matters. This Government has whistleblowers legislation, and it will take these issues seriously, just as I took that letter very seriously - a seven-page response to all the issues that were raised. There is no justification for an independent inquiry into this matter.

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I will summarise. Allegations of illegality have been referred to the police. The Government has responded to all the questions raised about this matter, either in the Parliament or in the media. Internal health department and independent reviews have been conducted by the Government of Western Australia. The Auditor General of Western Australia continues to overview the Department of Health's progress in handling contract matters, and the current Minister for Health has defunded the Western Australian Aboriginal Community Controlled Health Organisation. They are the facts.

Obviously, the Opposition could not resist taking up this matter. However, as we see with every issue that arises, the Opposition never concerns itself with the facts and what is actually happening; it just throws the mud. If that is the standard the Opposition sets, it will be judged by the electorate for what it is.

**MR R.C. KUCERA** (Yokine - Minister for Tourism) [4.03 pm]: It has been interesting to listen to some of the rhetoric today, and particularly to see the demeanour of the Leader of the Opposition. In almost two and a half years as the Minister for Health, I never on any occasion resiled from dealing with the hard issues. Many of those issues were left to fester by the previous Government. I will deal with some of those issues. I remind the House that this Government instigated the inquiry into the removal of body parts. It lifted the rock on many of the issues. This Government opened the door on the doctors' trust accounts and on issues surrounding the visiting medical practitioners, as highlighted by the Public Accounts Committee, of which a number of members on the other side are members. This Government has never resiled from dealing with those issues, and it continues to open the doors on those kinds of issues.

I also remind the Opposition of all the parity issues with which this Government has dealt. I remind members opposite about the taxation mess in which it left the doctors and which this Government had to sort out. This Government had to deal with hard parity issues involving our doctors, nurses and all the allied health professionals. They were all hard issues that I did not resile from dealing with in order to improve all sorts of accountability issues.

Mr J.N. Hyde: Where is the mover of the motion? That is how seriously the Opposition is treating this matter. The mover of the motion is missing in action. The Opposition is not treating this in a dinkum way.

The ACTING SPEAKER (Mr P.W. Andrews): The minister has the call.

Mr R.C. KUCERA: I do not resile from dealing with difficult issues. I lifted the lid on these issues and pushed on with them. Those issues of accountability existed. No-one can accuse me of walking away from difficult issues.

I will address two issues: first, the issue of WAACCHO. WAACCHO's financial accountability has been well canvassed today by the Premier. I remind members opposite of one other issue that was not canvassed, and I noticed that the member for Darling Range did not refer to it. The other morass that I had to sort out was an issue left by the member for Darling Range regarding the officer in charge of the Office of Aboriginal Health. To settle that matter, I had to bring in a retired Assistant Commissioner of Police to deal with the issue and work with the public sector management group. All those things were running in parallel with all the issues that the Premier has clearly pointed out. The Government did not resile from dealing with any of those issues.

I agree and acknowledge that when the audit report was first received by the department, it should have been acted upon more quickly. I have acknowledged that, as has the Director General, Department of Health. When the director general raised the issue with me earlier this year, I told him to do the right thing and refer it to the police - get it on and get it dealt with. It was as simple as that. Had those same issues been brought to my attention when the audit report was first released, it would have been done then. I gave that same answer to the newspaper reporter recently when I was asked about that. The issues surrounding WAACCHO have been dealt with all along. The difference is that this Government got on and did something about them.

When I was first advised of the WAACCHO issues in December 2001, I, with the Director General, Department of Health, instigated a forensic audit. The forensic audit dealt fully with those issues, and in fact linked with the issues dealt with in the Auditor General's report. All these matters were running in parallel. Nobody walked away from any of these issues. My notes on those memos that were given to the newspaper make it clear that I asked for a clear course of action to be taken. I requested and received advice. I was satisfied with the advice given to me by the department. It was undertaking a course of action that would eventually take this matter to the police. Yes, I acknowledge that it took a little longer than it should have taken; it took three months longer than it should have taken from the time it was first raised. I acknowledge that, as does the Director General, Department of Health. However, the matter is with the police. It did not languish. It was not left lying there, as it was by the previous Minister for Health. It went before the police and now sits with them. However, I acknowledge that it took longer than it should have taken. It is important to note that the matter was referred to the police during my time as Minister for Health. It is as simple as that.



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I met with Ms Thornton in October 2002. Two issues arose. First, she talked with me about contract issues. Her union representatives were present. She was well and forcibly represented by them. I asked her about the contract issues, and she assured me that she had spoken at length with the Director General, Department of Health. In fact, it is in the notes of the meeting that were sent to the newspapers. She assured me clearly that she had even named people concerned. I said to her that that was the appropriate way to go, and if she had any other information she should take it to the appropriate authorities. That matter dealt with so-called contract issues, and it was finished properly. Ms Thornton raised a broad raft of issues relating to the main thrust of what she came to see me about with her union. Why do people generally bring a representative from their union to a meeting? That is done when a person wants to discuss employment issues. She had definite issues that she needed to raise and which she started to raise with me. I clearly pointed out to her that there was disagreement about whether I should take on the role of dealing with public sector management issues. It has been pointed out time and time again to ministers from both sides of the House that they should not involve themselves in public sector management issues. I told Ms Thornton that her issues would be passed on. However, we disagreed and the matter became heated. I do not back away from that. For goodness sake, if a minister is going to walk away every time he has a meeting and be satisfied -

Mr C.J. Barnett: Do you bully people on a regular basis? Is this normal conduct for you?

Mr R.C. KUCERA: Most members of this House have seen the attitude that I have taken over the past two years. They know what I am like. They know what my style is. On the other hand, I am sure many people have also seen the style of the Leader of the Opposition and can make their own judgments about issues to do with bullying.

I went on to discuss with Ms Thornton the employment issues that she raised with me. In particular, she raised staffing issues to do with the Office of Aboriginal Health.

Several members interjected.

The ACTING SPEAKER (Mr P.W. Andrews): On reading the motion, it is clear that it contains the words that are being referred to. However, I caution members to my left. They are talking about things that reflect on the minister's character. They need to be very careful.

Mr R.C. KUCERA: Thank you, Mr Acting Speaker; I did not hear that comment. We went on to discuss the main thrust of the issues raised by Ms Thornton at the meeting, which was also attended by her union representatives. The main issues surrounded her employment, and there was a range of staffing issues concerning the Office of Aboriginal Health. We went on to discuss particular allegations against individuals. I pointed out clearly and strongly to her that I could not deal with those issues as they came under the auspices of the Public Sector Management Act. However, I told her that I would take up those issues with the Director General of Health, and that my advisers, who were also at the meeting, would take up the issues with the Department of Health. It was entirely appropriate. By that stage Ms Thornton was displaying a great deal of frustration about what had gone on. I could understand that frustration when she clearly explained it to me. However, I told her that I could not deal with those issues. I pointed out to her quite clearly that she might put herself in jeopardy if she continued to make her allegations public, without being able to substantiate what she was saying about certain individuals. I acknowledge that the meeting contained a great deal of disagreement. I am sorry if that is the view that Ms Thornton took of the meeting. I totally reject that there was any bullying or harassment on my part. I put my case. People who know me know that I put my case strongly. That is my nature. As I said before, I doubt whether any minister or member of this House would walk away from every meeting that he or she attended in complete agreement with the other people at those meetings or have the same view of the meeting as other people who attended. It is nonsense for somebody to turn around and say that somebody is telling lies. We all have perceptions and draw our own conclusions about meetings.

*Point of Order*

Mr A.D. McRAE: I am attempting to listen to the minister talk about this very important matter, but I cannot hear him because of the constant carping of the member for Nedlands. Her sotto voce comments are preventing me from hearing the debate. I am happy to listen to the minister uninterrupted. I have asked the member for Nedlands to stop a number of times. I ask you, Mr Acting Speaker, to cause her to stop constantly interrupting the debate.

The ACTING SPEAKER: There is no point of order. I am in charge of the Chamber. When I determine that the noise has reached that sort of level, I will quickly call members to order.

*Debate Resumed*

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Mr R.C. KUCERA: All members of Parliament attend meetings at which there is disagreement. Sometimes there is strong disagreement. This was one of those meetings.

Several members interjected.

The ACTING SPEAKER: As Acting Speaker, I do not need the support of members on my left.

Mr R.C. KUCERA: Thank you, Mr Acting Speaker. All members of Parliament attend meetings that at times end up with strong disagreements. This was one of those meetings. Now that I have been made fully aware of the complete picture, particularly given the way in which the Premier outlined the situation today, at the end of the day I am satisfied that my predecessor did nothing. I did something.

**MR M.W. TRENORDEN** (Avon - Leader of the National Party) [4.15 pm]: This is a case that must be acted on and heard. It is an important case. I do not have enough time to go through it. I refer to the Western Australian Public Sector Code of Ethics. Somebody should have read this; the minister should certainly have done so. He indicated that he knows the Public Sector Management Act intimately, which means that he acted grossly in his duty as the previous Minister for Health. The code of ethics is referred to in a section of the Public Sector Management Act 1984 and applies equally to all public sector employees, including chief executive officers and chief employees. Interestingly, this is where the minister could be in a bit of strife as the code of ethics does not apply to elected people, including members of Parliament. What is the code? Under section 9 of the Act, all public sector bodies and employees must comply with the code of ethics and any applicable code of conduct. The Act further states that alleged misconduct that could be corrupt or criminal must be reported to the Anti-Corruption Commission or the police. What happened in this instance? Both the Premier and the previous Minister for Health have said that that did not occur. Commission on Government Report No 2, Part 1 of December 1995 states -

... experience had shown that when allegations of improper conduct were made about high ranking public servants, the likelihood of political interference was high. If ministers were involved then a cover-up was more likely.

An article in *The Australian* of Tuesday, 15 July 2003 states -

Then health minister Bob Kucera, ... received a briefing note in December 2001 outlining “fraudulent and other dishonest behaviour” ... actionable by relevant regulatory/prosecuting bodies”.

What action was taken? The article states that no further action was taken. That was the response of the minister and the minister's aide. It was also unfortunately the response of the Commissioner of Health. Somebody is at fault, and not because some 16 months went by before this was reported to the police. The Act states that such things must be reported. That did not occur. This happened after the minister came out of the Police Force. He knows what those words mean. There is no question about that. Perhaps he also knew that he could not be pinged under the Public Sector Management Act, but that the Commissioner or somebody from his office could be pinged. That is what no further action says.

Mr N.R. Marlborough: What do you think motivated that?

Mr M.W. TRENORDEN: What motivated that was an attempt to cover up the action. It was an absolute, straight cover-up. Unfortunately, the article goes on to say that Mr Daube signed off in December 2001. I ask members to note that. When was this reported to the police?

Mrs C.L. Edwardes: Sixteen months later.

Mr M.W. TRENORDEN: Yes. I have a copy of the quote for those who want to read it; I do not have time to read it out now. If members read the quote they will see that the commissioner knew that this was the case. Someone must go under this action.

**MR J.A. MCGINTY** (Fremantle - Attorney General) [4.20 pm]: Earlier today some attention was focused on a contentious issues briefing note that was provided to the former Liberal Minister for Health, the member for Darling Range.

Mr C.J. Barnett: In your words it is not contentious at all.

Mr J.A. MCGINTY: That is the heading on the document - “Contentious Issues Briefing Note”. It was addressed to the former Liberal Minister for Health and is headed “WAACCHO Secretariat, Allegations of Fraud”. It was signed by the Commissioner of Health, Alan Bansemer, and it was noted by the then minister, the member for Darling Range, on 14 January 1999. The reason that I want to deal briefly with that document is that the argument that the Opposition has developed today is that the former Liberal minister did react and take action on this matter when in fact the record reveals the exact opposite. The record reveals that the fraud that

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had occurred at WAACCHO between July and November 1998 was drawn to the attention of the former Liberal Minister for Health in December 1998. It is very interesting that this morning on ABC Radio News at 9.00 am the former Liberal Minister for Health, Mr Day, said that the Liberal Government handed its ALP successor an audit report on the organisation in 2001, and that the Government is attempting to shift the blame.

I have had cause to go through the record of what has occurred. The accounting firm Hall Chadwick was appointed to conduct a special audit. Interestingly, it was appointed on 17 January 2001, more than two years after the allegations were first raised with the former Liberal minister and two weeks before the state election, when there was obviously a clearing up of back matters. This matter had sat in the former Liberal minister's department and office for longer than two years before Hall Chadwick was appointed to investigate the matter and report. It is of some interest that the report that was ultimately made by Hall Chadwick came out just over one year later in March 2002. What we have is a contentious issues briefing note that was provided to the minister by his department. The minister did nothing more than simply note that briefing note, because the words "Noted by Minister" appear at the bottom of the page under his signature.

When looking at this matter it is important that constant standards be brought to bear. I now quote from the Government Media Monitoring Unit transcript of what the Leader of the Opposition had to say on the 6PR *Drive* program on 15 July about allegations of corruption involving WAACCHO -

I would not excuse the minister, and as someone who was a minister for eight years, the minister should have been right on the tail of this, he should have been following it up almost the next day, the next week, the next month, but he should have been ensuring that action was happening. It's not good enough just simply to note it and just send it back down to the department.

I repeat that -

It's not good enough just simply to note it and just send it back down to the department.

The minister noted it and sent it back down to the department. More than two years then passed before he appointed a special auditor, Hall Chadwick, to conduct an audit into this allegation of fraud that had first been made to him in December 1998. Two years had passed and absolutely nothing happened until the caretaker period - the former Government's last two weeks in office - when it appointed Hall Chadwick. The former Government did not take action, as it had led the public of Western Australia to believe that it had, and as the Leader of the Opposition said on ABC Radio this morning that it had. Two weeks before the former Government was thrown out of office, it appointed Hall Chadwick. That was more than two years after the matter had been drawn to its attention. There was a gap of two years during which absolutely nothing happened.

The other matter that I want to refer to is Glenvale Lodge. A letter was received by the former Government on 29 November 1999 from the proprietor of Glenvale Lodge in Brighton Road, Rivervale, complaining about -

*Point of Order*

Mr R.F. JOHNSON: The Attorney General and now Minister for Health is not speaking to the motion before the House. He is speaking about irrelevant issues that go back quite a way and have nothing to do with the substantive motion before the House today. It may be a good attempt to defend his mate, but it is not working. I ask you, Mr Acting Speaker, to draw the Attorney General's attention to the fact that he should be speaking to the motion directly and not to something else.

Mr J.C. KOBELKE: The very same matters were addressed by members on the other side. The member's point of order to try to stop the minister from covering the same matters that were raised by members on the other side certainly does not have any substance in standing orders.

Mr C.J. BARNETT: This is a substantive motion calling on the Premier to set up an independent or judicial inquiry into the conduct of the former Labor Minister for Health, now the Minister for Sport and Recreation, and Tourism. It is a substantive motion calling on the Premier to act on accountability. That is what this is all about. It is not about some obscure incident about an officer being suspended - which he was -

Mr J.A. McGinty: It was fraud.

Mr C.J. BARNETT: No, it was not fraud. He was suspended, and advice was given -

Mr J.A. McGinty: It was theft - Criminal Code offences.

Mr C.J. BARNETT: If the Attorney General wants to debate the suspension of an officer three years ago, he should bring on a motion to debate that, and we will. This motion is about the person who is sitting next to the Attorney General - the Premier - and whether he will do the open and accountable thing and set up an independent inquiry into the conduct of the former Labor Minister for Health

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The ACTING SPEAKER (Mr P.W. Andrews): Order! The Attorney General has the motion in front of him, and it relates directly to setting up an independent inquiry on the issue of accountability. Therefore, the Attorney General should address his remarks to accountability.

*Debate Resumed*

Mr J.A. McGINTY: Mr Acting Speaker, in dealing with the issue of accountability in Aboriginal organisations, an accusation has been made by the Opposition. We are simply saying to the Opposition that if the cap fits, wear it. Do not be hypocritical. The Opposition should not criticise us when it has been less than active in its own area. I will illustrate that point by quoting from a letter that was received by the former Government from the proprietor of Glenvale Lodge. What the member for Darling Range wrote back, as has already been pointed out, on 29 November 1999, when confronted with a very important allegation of theft raised by a small business that said that a government-funded agency had not paid its bills -

Several members interjected.

Mr J.A. McGINTY: I will tell members, because there is an interesting dimension to all of this. Apart from trying to sweep the matter under the carpet, the member for Darling Range led us to believe that he had taken the appropriate course of action. I can tell the member for Darling Range that the bill that he wrote to this company about remains unpaid today. That was how successful his intervention was. The bill remains unpaid today, notwithstanding that the member for Darling Range wrote to this company and said he would make sure that everything was fixed up. He did not do that. It did not happen. The proprietor is still complaining today that that bill is outstanding. Subsequent to the matter of fraud being drawn in 1998 to the attention of the then Minister for Health, the member for Darling Range, it took him more than two years to take the first step of appointing Hall Chadwick. However, the Opposition is complaining about what the Government acknowledges to be an unfortunate delay. This matter should have been dealt with more quickly following the audit by Deloitte Touche Tohmatsu established by this Government to investigate these matters. The matter was referred to the police. The Opposition took no action to refer it to the police. I remind members opposite that the matter was referred to the Department of Consumer and Employment protection by this Government. It initiated the Deloitte inquiry, raised the issue with the Police Service at an early stage, took it to the Anti-Corruption Commission and sought advice, and referred the matter to the police. In comparison, members opposite did nothing.

Question put and a division taken with the following result -

Ayes (19)

Mr R.A. Ainsworth	Mrs C.L. Edwardes	Mr R.F. Johnson	Mr T.K. Waldron
Mr C.J. Barnett	Mr J.P.D. Edwards	Mr B.K. Masters	Ms S.E. Walker
Mr D.F. Barron-Sullivan	Mr B.J. Grylls	Mr P.D. Omodei	Dr J.M. Woollard
Mr M.F. Board	Ms K. Hodson-Thomas	Mr P.G. Pendal	Mr J.L. Bradshaw ( <i>Teller</i> )
Mr J.H.D. Day	Mr M.G. House	Mr M.W. Trenorden	

Noes (27)

Mr C.M. Brown	Mr S.R. Hill	Mr M. McGowan	Ms J.A. Radisich
Mr A.J. Carpenter	Mr J.N. Hyde	Mr A.D. McRae	Mr E.S. Ripper
Mr A.J. Dean	Mr J.C. Kobelke	Mr N.R. Marlborough	Mr D.A. Templeman
Mr J.B. D'Orazio	Mr R.C. Kucera	Mrs C.A. Martin	Mr P.B. Watson
Dr J.M. Edwards	Mr F.M. Logan	Mr M.P. Murray	Mr M.P. Whitely
Dr G.I. Gallop	Ms A.J. MacTiernan	Mr A.P. O'Gorman	Ms M.M. Quirk ( <i>Teller</i> )
Mrs D.J. Guise	Mr J.A. McGinty	Mr J.R. Quigley	

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Pairs

Mr A.D. Marshall	Mr J.J.M. Bowler
Mr R.N. Sweetman	Ms S.M. McHale
Mr M.J. Birney	Mrs M.H. Roberts

Question thus negatived.