

PERTH MINT — REFORMS

**889. Ms M.M. QUIRK to the Minister for Mines and Petroleum:**

My succinct question without notice is to the Minister for Mines and Petroleum. I refer to the Cook Labor government's \$34 million investment to improve management at the Perth Mint.

- (1) Will the minister outline to the house how this investment is allowing for improved operations at the Perth Mint?
- (2) Will the minister advise the house whether he is aware of any alternative remediation proposals?

**Mr W.J. JOHNSTON replied:**

- (1)–(2) Thank you very much. I am very pleased to answer that question. As the member and the Speaker know, when this government came to power, we did not realise that the former government had allowed the Perth Mint to not practise appropriate anti-money laundering and counterterrorism financing arrangements. Under the leadership of former Premier McGowan, a reform process started. Part of that reform process was the replacement of the former chair with an outstanding Western Australian, Sam Walsh, as the chair of the board. I am very proud to have continued that reform program. That includes a \$34 million investment in updating the Mint's know-your-customer practices. This plan is delivering. It is showing that it is working through the historical noncompliance and getting the Mint back on track.

Unfortunately, of course, there is some political grandstanding going on at the same time led by the very disappointing Senator Dean Smith. He chairs a federal inquiry in the Senate, which was extended, having had three public hearings and not having had a single claim of illegal conduct at the Perth Mint. This is a bitter disappointment to the 700 Western Australian voters who work at the Mint whom he is supposed to represent in the federal Parliament. This inquiry is investigating three acts of the federal Parliament. Two of the acts in the inquiry's terms of reference—the Privacy Act and the National Measurement Act—have not even rated a mention at any time in the hearings. In fact, the Privacy Act does not even apply to the Perth Mint. The matters regarding the Anti-Money Laundering and Counter-Terrorism Financing Act are of course being dealt with by the Australian Transaction Reports and Analysis Centre, an independent regulatory authority. The idea that this committee wants to politically interfere in AUSTRAC's investigation is appalling.

There has been no evidence of any misconduct by the government. In fact, the evidence presented to the committee includes the following. The Auditor General told the committee, "the Perth Mint today is in much better shape than it was five years ago." She also said, "I found the Premier"—that being Premier McGowan—"very attentive to listening to the concerns." She said that the chair of Gold Corporation, Sam Walsh, was "part of the solution, not part of the problem, in solving these issues". She also said, "as auditor I have not seen any evidence of money laundering at the Perth Mint." She also said —

... if I'd had a view that a \$1 billion penalty was likely, I would have made sure that the disclosures in the annual report were appropriately reflective of that. But I cannot speak for AUSTRAC.

The point is that in her view there was no chance of a \$1 billion fine.

**Mr R.S. Love** interjected.

**The SPEAKER:** Order, please!

**Mr W.J. JOHNSTON:** When Ms Spencer was asked whether she had briefed Premier Roger Cook, she said —

I haven't briefed him on Perth Mint. In my view, that issue is now well in hand of the board and the entity.

In fact, she said something nice about me. She said —

Again, he was very engaged. When risks were being raised, I thought he handled that information appropriately, in terms of wanting to know more ...

There is no evidence before this inquiry that shows any misconduct by the current Labor government. Of course, it exposes Dean Smith, who worked for Richard Court when he was the minister relevant to the Mint. Dean Smith would not explain his relationship with the former leadership, the chair of the board, that Premier McGowan sacked. Dean Smith worked at Richard Court's office when that man, the former chair, was the chief executive officer. Dean Smith has never outlined his relationship with that man. There are things to be known, but not about this government, not about the current Mint leadership, but about the dishonesty we have seen in that Senate inquiry.

I turn to the shambles of evidence from the Leader of the Opposition and the member for Cottesloe, who could not put a single allegation of misconduct by anyone in government, anyone at the Mint—not a single allegation of misconduct—and no evidence of any illegal activity. In fact, both of them acknowledge that there have never been

money laundering allegations involving the Mint and they both acknowledge that there has never been any breach of either of the other two acts that are being investigated. It is a shambles, it is a political witch-hunt, it is a disgrace and it should stop now.

Several members interjected.

**The SPEAKER:** Order please, members! This is becoming a very lengthy question time.