

*Joint Standing Committee on the Corruption and Crime Commission — Fourteenth Report —
“Red Flags...Red Faces: Corruption Risk in Public Procurement in Western Australia”*

Resumed from 14 May.

The CHAIR: I draw members’ attention to a government response tabled on 11 August this year, which is also available.

Motion

Hon STEPHEN DAWSON: I move —

That the report be noted.

Consideration Postponed

Hon NICK GOIRAN: I would like to consider the fourteenth report of the Joint Standing Committee on the Corruption and Crime Commission. I believe this is the first opportunity we have had to do so since the government tabled its response. Indeed, there have been many red faces and red flags at the Corruption and Crime Commission during this term of government, not the least of which was caused by the government’s ham-fisted approach to the appointment of a Corruption and Crime Commissioner. However, I understand that there is a fair degree of enthusiasm from some members in the chamber for us to make progress on the consideration of these committee reports so that we can give some consideration to other reports. I move —

That consideration of this report be postponed to the next sitting of the Council.

Point of Order

Hon PIERRE YANG: Mr Chair, I understand that Hon Nick Goiran has moved a motion, but I seek your guidance because I wish to make a contribution to the debate on this report.

The CHAIR: Members, Hon Pierre Yang has indicated that he wishes to speak to the substantive motion that the report be noted. In the interim, it has been moved that further consideration of the report be deferred. The practice of the Committee of the Whole House in consideration of committee reports has generally been to resolve matters by dealing with a motion to defer when it is raised; that is, if members do not want it to be deferred, they should vote against that motion. A member having indicated that they prefer to speak now is something for the rest of the chamber to either take notice of or not. It is probably something that we might need to consolidate in standing orders in due course, but to be consistent in ruling, I indicate to Hon Pierre Yang that if he wishes the debate on the motion that the report be noted to continue, he should vote against the motion to defer.

Committee Resumed

Hon NICK GOIRAN: Mr Chair, is it open to me to seek leave to withdraw my motion?

The CHAIR: It is always open to you to seek leave.

Hon NICK GOIRAN: In that case, I do so, Mr Chair.

Motion, by leave, withdrawn.

The CHAIR: I thank the member. That has resolved any possible question for the moment, but, as I say, it is something that perhaps we need to contemplate again.

Motion Resumed

Hon PIERRE YANG: I wish to pass my sincere thanks to Hon Nick Goiran for withdrawing his previous motion. I do appreciate it. I also want to put on the record that at the last consideration of committee reports, I think I was trying to invoke standing order 54 when Hon Nick Goiran had already sought the call. I want to emphasise that by no means was I trying to defeat his intention to speak on that report. I thank Hon Nick Goiran for his willingness to facilitate my ability to speak on this report.

Mr Chair, thank you for the opportunity. The fourteenth report of the Joint Standing Committee on the Corruption and Crime Commission, “Red Flags...Red Faces: Corruption Risk in Public Procurement in Western Australia”, discussed a number of incidents of corruption that happened in this state. I say from the outset that the overwhelming majority of Western Australian public servants are dedicated, hardworking and sincere in their service to the general public to the best of their abilities. According to Transparency International, Australia ranked twelfth out of 180 countries. We are one of the best nations for corruption-free practices in the public service. We are served by great public services across the nation, whether at local, state or federal level. We should be mindful of that, and we should always be on guard against any corrupt practices in the public sector. At the same time, we should remember that the majority of public servants are trying their very best to serve the general public.

As the Army says, there is always room for improvement. As we can see from cases of corrupt practices in other public services, it is very, very disappointing to note these incidents.

I turn to chapter 2 of the report, which defines corruption as “any situation where the interests of an individual or particular group of individuals or a firm override the public interest.” The report goes on to describe types of activities of corrupt practices, including bribery, collusion, conflict of interest and fraud.

It is pretty disappointing to see that the small number of incidents of corruption is having an effect on people’s confidence in the public service. There is no doubt that these incidents have a negative effect on our trust. It is disappointing to hear of individuals who attempt to gain a personal interest while in a position of trust, especially when those individuals are in a position to spend public money on behalf of the people of Western Australia to purchase or procure items in the line of their work, and then at the same time try to seek to advance their personal interests. It is very, very disappointing. There is no doubt that these people should be exposed, prosecuted and dealt with, using the full force of the law.

In my contribution, I want to thank the law enforcement agencies of Western Australia, the Western Australia Police Force, the Corruption and Crime Commission, the general public and the media for keeping a close eye on potential corrupt practices in Western Australia. Anyone who attempts corrupt practices will be caught, exposed and brought to justice.

Corruption is an infectious cancer. It can affect the culture of an organisation. Newcomers and junior members joining an organisation can be affected by what is going on around them. If things are done in a certain way, people may think that it is business as usual—that is how it is always done—but, as a matter of fact, if practices are corrupt, they must be stamped out. Integrity is a very important quality in any organisation. That must be demonstrated from the top of the hierarchy of the organisation to everyone on the front line. It is very important that the culture of upholding integrity is maintained.

The report also noted that corruption can be very difficult to notice.

Several members interjected.

The CHAIR: Order! Members, we are listening to Hon Pierre Yang.

Hon PIERRE YANG: Mr Chair, I am trying to make a serious contribution on this report.

As we can see from what happened in New South Wales, where the Independent Commission Against Corruption is looking at a very serious allegation against a former member of Parliament, a whole heap of other information is coming out of that process, so I do not understand why members are interjecting and somehow suggesting that I am not serious.

Hon Peter Collier interjected.

The CHAIR: Order! The Leader of the Opposition can have his say in due course. Hon Pierre Yang has the call.

Hon PIERRE YANG: Thank you, Mr Chair. It is disappointing to hear these words. In any event, I want to note that the Corruption and Crime Commissioner, John McKechnie, was quoted in the opening part of the report. He said —

I have been surprised at what actually has been found under the surface. We have no way of knowing whether corruption is rife, or in comparatively small pockets. I suspect the latter, but we have really no way of knowing.

I want to echo these words. It is important for people to be on their guard and to have the ability to be a whistleblower if they see corrupt practices, whether in the private or public sector. The committee has done some very important work looking at the possibility of corruption in the public procurement process. I want to mention that all public servants, including members of Parliament—we are essentially public servants—should always do the right thing and act with the utmost integrity.

With these words, I will conclude my contribution today. I want to thank Hon Nick Goiran again for facilitating this opportunity.

Hon ALISON XAMON: I rise because I am pretty keen to make some comments about the report. Having been a member of this inquiry for two and a half years of my life, it is quite important to make some comments and get them on the parliamentary record. That is why it is so important that we have this time to consider committee reports. At the outset, I want to give huge thanks to the Chair of the Joint Standing Committee on the Corruption and Crime Commission, Margaret Quirk, the member for Girrawheen. I hope I am not revealing too much when I say that I think this inquiry was a particular interest of hers. She brought a great deal of expertise to the inquiry, steering it in a particular direction. I thank her for the good work that she did.

This committee started looking at the framework of what the inquiry could potentially investigate, and soon realised it would be bigger than Ben Hur. There is merit in a parliamentary inquiry or a future incarnation of this committee at some point specifically looking at the issue of local government procurement. Looking at the framework, the committee realised an entire inquiry could be undertaken there, but for the purposes of this inquiry, a decision was made to try to limit the scope—bear in mind that the inquiry went for two and a half years—to looking at the factors

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that exist within the public sector, in particular, that lend themselves to the risk of corruption in procurement. When we began, we did not anticipate what would emerge during the course of the inquiry. Of course, early in the inquiry we heard the revelations of corruption or alleged corruption in public sector procurement in the North Metropolitan Health Service. As time went on, we heard of instances in other agencies as well, but most significant, of course, were the astounding revelations that emerged about the department of housing. I am speaking about corruption now because we have guilty pleas; we do not have to use the word “alleged” anymore. I think that case highlighted how on the money the chair was in wanting the committee in the first instance to go down this path and look at the risks.

We have received positive feedback, particularly from officials within Treasury. They have said that they really value the work that has been done in identifying the risks and the gaps that exist within the procurement framework and that it has helped to inform them about areas for improvement. That is great. That is exactly the intention of the report, and I am pleased that it appears to be of some value to government.

I will start with one of the things that we need to be really mindful of. I am alarmed by how often the Corruption and Crime Commission uncovers corruption simply because of the work of whistleblowers, not because there is some sort of systemic investigative function within the broader public service that picks up anomalies and refers them to the CCC, which subsequently investigates. In fact, it is public servants—often disgruntled public servants—that finally come out and draw attention to the fact that there are problems around procurement processes that are then subject to investigation, and corruption is subsequently found. There is a whole section in this report on the role of whistleblowers. It is very interesting, because we have had reform in the whistleblowing space at both the state and federal levels, yet the report outlines that we still have insufficient protections for whistleblowers in this state. The report refers to the cultural problems inherent for people who are concerned about speaking out after they have seen the wrong thing. They can still be subject to quite a miserable life and, indeed, detriment to their careers, if they subsequently expose wrongdoing within the public sector. That should be of concern to all of us. Obviously, we want to create a culture wherein people are happy to speak out about wrongdoing and have it addressed, so it is concerning that in 2020 we still hear concerns about inadequate protections for people who ultimately blow the whistle on wrongdoing.

Another problematic area the inquiry identified is the lack of training across the board in the public sector around best practice when it comes to procurement. We need better and more consistent training opportunities across the public sector as a whole. Part of that is the concern that we are losing expertise within our public sector.

The CHAIR: Noting the time, we will have to interrupt our consideration of committee reports and I will leave the chair.

Committee interrupted, pursuant to standing orders.

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Sitting suspended from 4.15 to 4.30 pm