THE SPEAKER (Mr Strickland) took the Chair at 2.00 pm, and read prayers.

ROYAL COMMISSION - CITY OF WANNEROO

Final Report - Release of Video and Sound Recordings

THE SPEAKER (Mr Strickland): I advise members that permission has been given for the vision and sound from the parliamentary televising system to be made available to television and radio stations during the presentation by the Premier of the final report of the Royal Commission into the City of Wanneroo.

Point of Order

Mr RIPPER: I note your advice to the House that the presentation by the Premier of his ministerial statement on the tabling of the report of the Wanneroo Inc royal commission will be available for television stations to access. Will similar arrangements be made for the response of the Leader of the Opposition, which I understand will follow immediately on the Premier's presentation?

The SPEAKER: Order! There is no point of order.

Debate Resumed

The SPEAKER: Order! I have had a request from the television stations. I have examined past precedents. They indicate that approval has been granted.

Dr Gallop: You are the Speaker now. That is the first bad decision you have made, Mr Speaker.

The SPEAKER: Order! I formally call the Leader of the Opposition to order for the first time. It is highly disorderly to interject when I am on my feet. As I have said, I have given approval. The matter of whether a request will be granted to allow television footage while the Leader of the Opposition is giving his statement has not been considered, but the answer under precedence will be no.

MR BARNETT (Cottesloe - Leader of the House) [2.06 pm]: Mr Speaker, further to the ruling, which of course is at your discretion, should the Opposition make a request for television coverage of the response of the Leader of the Opposition, I make it clear that the Government will in no way object.

Motion

MR COURT (Nedlands - Premier) [2.07 pm] - by leave: I move -

That this House authorises the publication of the final report of the Royal Commission into the City of Wanneroo, September 1997.

The Governor has received from Royal Commissioner Davis the final report into the City of Wanneroo. This report was commissioned by the Governor and inquired into matters in respect of the Wanneroo City Council, its committees and members during the period 1 May 1986 to 30 June 1992.

The royal commission has found no evidence of systemic corruption in the City of Wanneroo; however, there are findings of corrupt behaviour by individuals and widespread use of improper practices involving councillors and council staff. The corruption was confined to the activities of Dr Wayne Bradshaw, Mr David King and some of the developers with whom they did business.

Before I table this report, I remind members of the history of this investigation and of the findings already made by the royal commission in its interim report. I will then draw members' attention to the findings and recommendations made in the final report.

History: In January 1992, the then Minister for Local Government appointed Mr Peter Kyle to conduct an inquiry into the operations of the City of Wanneroo from May 1986 to May 1991. The Kyle report was tabled in Parliament on Friday, 4 December 1992. Central to the recommendations made in the Kyle report were specific directions to improve the policies and procedures in the administration of the City of Wanneroo.

The Local Government Act 1995 introduced by this Government has gone a long way towards addressing those recommendations by requiring local government authorities, including the City of Wanneroo, to introduce new accountability provisions into their administrative practices and procedures.

As a consequence of the findings of the Kyle inquiry, further investigations were carried out into the conduct of
former councillors Bradshaw and King. The result of these investigations was that the Director of Public Prosecutions recommended that charges of corruption be brought against these two councillors. Following the investigation of these charges, King and Bradshaw were prosecuted and found guilty of corruption. Both served prison sentences for their corrupt behaviour. However, interest in matters investigated by Mr Kyle continued. From 1994 we witnessed in this House an almost non-stop barrage of attacks by the Opposition upon members of the Government associated with the City of Wanneroo. In response, the Government urged members of the Opposition to take their evidence of wrongdoing to the appropriate authority. The Director of Public Prosecutions investigated the Opposition's claims and responded by issuing a statement on 10 August 1994. In this statement he said that the allegations were unsubstantiated and based on gossip, rumour and smear. He effectively said to all those making serious allegations to either put up or shut up.

However, despite this definitive statement by the DPP, the Opposition continued under the protection of parliamentary privilege to air unsubstantiated allegations. By raising unsubstantiated allegation after unsubstantiated allegation, the Opposition had by this time convinced the media that members of the Government, in particular the member for Kingsley, had been involved in some form of corruption in the City of Wanneroo.

With reference to a break-in to his parliamentary office, the member for Fremantle on 25 September 1995 said on ABC radio that the building was where they kept their material relating to Wanneroo in particular, and he was sure that Wayde Smith and Cheryl Edwardes would be horrified if it became public.

The matter was investigated by the Acting Commissioner of Police who then reported that the member for Fremantle was not in possession of any material or information that would assist the police in the Wanneroo investigation. The matter reached its lowest point when The West Australian stated in an editorial dated 16 September 1994 on the issue that the most remarkable quality Attorney General Cheryl Edwardes had shown in her short ministerial career was the survival instinct of a political cockroach.

On 4 October 1995 the Minister for Local Government asked Mr Kyle to conduct a further inquiry into matters concerning the City of Wanneroo council. Following a Supreme Court decision of 9 February 1996, Mr Kyle could no longer serve this inquiry and was replaced by Mr Roger Davis. On 12 March 1996, the Government reconstituted the local government inquiry as a royal commission, following a request from Mr Davis and counsel assisting, Ms Johnson, who were concerned that they should have full indemnity against liability.

On 24 April 1996 the royal commissioner requested an extension of time to present his report on 30 April 1997. When making this request he indicated that he would be in a position to present an interim report covering a number of matters that were closest to being ready for hearing by August 1996. The request for an extension of time was duly granted, and the royal commissioner presented his interim report on 30 August 1996. Subsequent requests for further extensions of time were granted to enable the royal commissioner to deliver his final report by 26 September 1997.

The interim report of the royal commission was tabled in this House on 3 September 1996, as members will recall. This report cleared the member for Kingsley of the serious allegations made against her by opposition members, and in particular by the members for Fremantle and Peel. The Opposition reacted to these findings by saying that any damage to the member for Kingsley and her family was not the fault of the Opposition, but was the fault of the Government. The member for Fremantle said on 4 September 1996:

> Any hurt to the former Attorney General's family comes back to the Premier's negligence in refusing to properly investigate these matters . . .

> It is the Premier who should wear the blame for any hurt and hardship the former Attorney General has suffered.

The Opposition, the media and the public of Western Australia had already been told quite unambiguously by the Director of Public Prosecutions in August 1994 that the allegations raised against the member for Kingsley had no substance. In his August 1996 interim report the royal commissioner confirmed the DPP's statement by making it abundantly clear that the allegations directed against the member for Kingsley were based on gossip, rumour, smear and innuendo. The royal commissioner in his concluding remarks in the interim report captured the essence of this matter:

> The allegations were widely and indiscriminately disseminated. Those responsible exercised no care or consideration for the truth. The motivation appears in a number of cases to have been a desire to score political points at both State parliamentary and local council levels. Others appear to have acted from ignorance. In all a great deal of the Commission's time has been spent investigating matters that should never have been seriously in doubt.

That was still not enough for opposition members to say that they had made a mistake, and that the allegations the
members for Fremantle and Peel had been nurturing and developing over a two and a half year period were wrong and without substance. The member for Fremantle told this House on 4 September 1996 -

Other charges are to be laid. An enormous number of matters at Wanneroo are still to be inquired into.

He also said that I knew the final report would be embarrassing to the Government.

The member for Belmont continued, in support of his then leader, and said -

Still to be investigated is the extent to which the Minister for Family and Children’s Services knowingly, or unknowingly, received campaign financing from the proceeds of corrupt payments. Members of the Opposition are not the only people saying it is quarter time and serious matters remain to be investigated; . . .

In the royal commissioner’s words, more substantive matters of alleged corruption remain to be investigated.

The final report: After delivering his interim report, the royal commissioner requested that the Governor extend his terms of reference to include two additional matters which were the subject of public concern. One of these matters concerned the relationship between Mr Colin Edwardes while he was a City of Wanneroo councillor and the Vietnamese community of Perth. The other concerned an allegation that the member for Kingsley, as Attorney General, had improperly interfered in the application for appointment as a justice of the peace on the part of a leader of the Vietnamese community.

Over the course of the inquiry the royal commissioner investigated 113 separate lines of inquiry and took evidence from 244 people, examined 950 exhibits of evidence and analysed 14 400 pages of proceedings. The cost to date of the royal commission is $5.024m.

The royal commissioner states in the report that where an allegation which was serious and had previously been made public, and after being investigated was found to be without substance, the matter was dealt with in a public hearing in order to clear the names of those involved. Given the nature and genesis of so many of the allegations considered by the commission, clearing the names of persons subject to baseless accusations, in some instances over a long period, was regarded by the royal commissioner as of equal importance to the exposure of corrupt and improper conduct.

A number of matters after preliminary investigation by the commissioner were found to fall outside the terms of reference and not to warrant further investigation. The royal commissioner sets out some issues that he considers require explanation on how they were dealt with and resolved by the commission. Others which were found to be outside the commission’s terms of reference but worthy of further investigation were referred to the appropriate authority such as the Police Service, the Department of Local Government and the Anti-Corruption Commission.

The findings: I now turn to the findings of the royal commissioner in the final report. The first allegations that I want to address are those directed against the member for Kingsley and her husband. I do this because of remarks by the member for Peel when he said on 4 September 1996 that he had the same difficulty in concluding that the member for Kingsley should be supported as did this royal commission. He said that this royal commission has great difficulty believing her, and it has great difficulty believing her husband.

As he did in the interim report, the royal commissioner cleared the member for Kingsley and her husband of further allegations made against them. Firstly, as indicated at page 210 in relation to King’s allegation that Colin Edwardes received $7 000 in cash from businessman Len Buckeridge, the royal commissioner found that there is no reliable evidence that any such payment was ever made.

Secondly, in relation to King’s allegations regarding the Kingsley Tavern and the Greenwood Forest Hotel, the royal commissioner found, as indicated at page 231 that -

(a) There is no evidence whatsoever to support Mr King’s allegation that Mr Edwardes used his position as Executive Officer to the Minister for Racing and Gaming to assist Resolve obtain an exemption from the liquor licence moratorium.

(b) There is no credible evidence to support Mr King’s allegation that he collected envelopes containing money from either the owner of the Greenwood Tavern or the owner of the Kingsley Tavern for Mr Edwardes at any time. The allegation is consequently unsubstantiated.

(c) The allegations are further examples of Mr King’s baseless, destructive and wasteful accusations.

Thirdly, regarding allegations that Mr Edwardes passed an unknown amount of money in banknotes to Dr Phat at the Shelvock Reserve on 20 April 1991, as indicated at page 718 the royal commissioner found that -
Mr Edwardes passed an unknown amount of money in banknotes to Dr Phat at the Shelvock Reserve on 20 April 1991.

There is insufficient evidence on which to base a finding as to why the payment was made.

Fourthly, regarding the appointment of Nguyen Van Phat as a justice of the peace, as shown at page 731, the royal commissioner found that there is no evidence to suggest that Mrs Edwardes interfered in any way with the normal ministry processing of Dr Phat's application.

Fifthly, regarding the allegation that Mr Edwardes requested money in respect of lot 3 Wanneroo Road, the royal commissioner found at page 762 that -

There is insufficient evidence to support a finding that Mr Edwardes ever asked Mr Agnello for an election donation and no evidence whatever to support any adverse finding against Mr Edwardes in relation to any such payment.

Sixthly, regarding the investigation into the process followed by the City of Wanneroo leading to the construction of community amenities on Chichester Reserve, Woodvale, the royal commissioner found at page 947 that -

There is no evidence to suggest that either Mr or Mrs Edwardes exerted or attempted to exert any pressure or influence or otherwise use their respective positions to effect any change to the intentions of the Wanneroo Council with respect to the proposed facilities on Chichester Reserve.

With regard to the suggestion by the member for Belmont that the member for Kingsley had received campaign financing from corrupt funds, the royal commissioner traced payments made by Dr Bradshaw and found that a payment of $1 813 to the member for Kingsley's 1989 campaign fund was from sources other than the corrupt payment being investigated - page 345.

Findings of corruption: The royal commission also investigated a wide range of allegations against other people. The vast majority of the allegations could not be sustained because there was either insufficient or no evidence to support the allegations.

After taking evidence from 244 people and examining 950 exhibits of evidence and analysing the 14 400 pages of proceedings, the royal commissioner did not find any evidence of systemic corruption at the City of Wanneroo over the relevant period. He did, nonetheless, find that over this six year period under investigation there were instances of corruption. The findings of corruption were as follows -

1. The Lilburne Road shopping centre inquiry - page 173 -
   (b) Mr Colin Dwyer offered a bribe to Mr King. Mr King accepted that bribe, provided the service sought in return and accepted the money when it was paid. The transaction was corrupt on the part of both Mr Dwyer and Mr King.

2. Robert Holl's dealings with the City of Wanneroo - page 294 -
   (e) Mr Holl paid for Mr King's trip to Bali in October-November 1989 as a reward for Mr King's support on the Council to that point and for continuing support he anticipated in the future. The payment by Mr Holl and acceptance of the gift by Mr King was corrupt. The matter will be referred to the Director of Public Prosecutions.

3. Woodvale shopping centre - page 348 - and also page 353, which states -
   (j) The arrangement, payment and receipt of money referred to in findings (f), (g) and (h) above, were corrupt. The matter will be referred to the Director of Public Prosecutions.

4. Belridge shopping centre development - pages 580 and 581 -
   (v) The payments by Mr Tay to Dr Bradshaw through Lobito Pty Ltd of $50,000.00 on 13 February 1990 and $5,000.00 on 5 March 1991 were corrupt. The payments were made for services or assistance provided by Dr Bradshaw as a councillor of the City of Wanneroo in connection with the rezoning and development of Lot 656 by Lobito Pty Ltd.
   (z) In return for Dr Bradshaw's assistance in securing for North Whitfords Estates Pty Ltd a portion of commercially zoned land in Beldon North Whitfords Estates Pty Ltd through Mr Hinchcliff gave to Dr Bradshaw an interest in that land which Dr Bradshaw sold to Mr Tay for $200,000.00. While the exact form of that interest has not been established,
it was intended that Dr Bradshaw would derive any benefit from the sale of the land over and above a return for North Whitfords Estates Pty Ltd which Mr Hinchcliff nominated, namely $350,000.00. That arrangement between Mr Hinchcliff and Dr Bradshaw was corrupt.

(a) Mr Tay and Dr Bradshaw gave false evidence on oath to the Kyle inquiry.

(ab) Mr Tay gave false evidence on oath to the Supreme Court of Western Australia in the course of the trial of the action against him at the suit of Mr Yamabuta.

Lot 3 Wanneroo Road - page 761 -

(b) Mr King solicited from Mr Agnello a bribe of $10,000.00 and a year's supply of free petrol in return for his assistance on council to secure approval for the rezoning of Mr Agnello’s property. Mr King's request was corrupt.

The following finding of improper conduct was made with regard to the town clerk and the city treasurer's conduct in obtaining payment for first class airfares for Mrs Coffey: The royal commissioner found that Mr Coffey's conduct was not only improper but possibly illegal. He found also that Mr Turkington assisted Mr Coffey and facilitated the improper payment, and he said at page 991 that -

While there is undoubtedly much to be said in mitigation of Mr Turkington's conduct, in the circumstances I believe I am obliged to refer the matter to the DPP for consideration and I intend to do so.

The Government acknowledges the royal commissioner's findings against two former City of Wanneroo councillors and others. A copy of the report has been sent to the Director of Public Prosecutions for his attention.

Where persons have already been tried, convicted and sentenced for their roles in relation to the relevant period investigated, the royal commissioner has concluded that no useful purpose would be served by investigating and conducting hearings into these matters.

In the matter where Mr Edward Hodgkinson has been charged with two counts of bribery relating to payments to Mr King the royal commission in compliance with clause 5 of the terms of reference has not investigated any matter that might impact on the trial.

Improper practices at the City of Wanneroo: While the royal commissioner did not uncover any evidence of systemic corruption at the City of Wanneroo over the relevant period, he did find evidence of widespread improper practices involving both councillors and staff of the City of Wanneroo.

Electoral donations: The commissioner believes that the problem of electoral donations is the most pressing ethical problem confronting councillors and staff of local government authorities.

The commissioner in his findings found that it is improper for a councillor to solicit an electoral donation while a prospective donor has a matter affecting its financial interests before council. He also found that it was improper for a councillor to solicit a donation from a prospective donor while an application affecting its financial interests is contemplated or has recently been approved.

[Leave granted for the member’s time to be extended.]

Mr COURT: Administration of council: He examined in detail the administration of the council and identified numerous examples of improper conduct by staff members of the City of Wanneroo. The first area he examined in detail was council expenses. In this examination he found that in some respects the financial procedures adopted by the city fell short of the requirements of the Local Government Act 1960. He found when examining councillors' expenses that expenses were claimed and paid without receipts. In his findings, at pages 1018 and 1019, he found, in part -

(c) the forms signed by councillors confirming that the expenses claimed were spent on council related business were inadequate to enable the Treasury Department to be satisfied that the expenses were in fact council related.

(d) The systems in place at the City of Wanneroo were quite inadequate to ensure that councillors' expenses were only paid in accordance with the provisions of the Act. The City Treasurer failed in his duty to ensure that the finances of the City were protected in that respect. That failure was improper.

(e) The policies in place at the City of Wanneroo at the material time were generous and allowed the councillors' to claim expenses which when compared with other local governments, were very
high. There was no procedure in place to assess whether the amounts allowed to councillors was justified in all the circumstances.

(f) The failures to comply with the Act and the inadequate procedures in place at the City of Wanneroo over the material period should not have remained unchallenged for so long.

The commissioner particularly identified the town planning department of the City of Wanneroo as a place where improper work practices and administration procedures had been developed over a period of time.

He found that the town planner, Mr Oscar Drescher, and his staff had acted improperly in not revealing conflicts of interest when dealing with planning approvals and that, at times, they had concealed the role of the planning department when negotiating town planning applications between competing parties.

The most serious improper practices that the royal commissioner identified at page 577 were -

(c) When Mr Drescher subsequently involved himself as City Planner in development applications involving North Whitfords Estates Pty Ltd an actual conflict of interest arose. Mr Drescher's failure to take active steps to make the conflict of interest known and to disassociate himself entirely from the planning applications involving North Whitfords Estates Pty Ltd was highly improper.

(d) In his report to Council dated 24 February 1988 Mr Drescher deliberately misled councillors as to the extent of the increase in gross leasable area he was recommending for approval in relation to the Landbank rezoning application. By deliberately misleading Council Mr Drescher acted improperly.

(j) Mr Drescher and his staff deliberately failed to keep proper records of their meetings and conversations with North Whitfords Estates Pty Ltd and Landbank staff in relation to the joint proposal negotiations in order to conceal the role of the Planning Department in those negotiations. The deliberate concealment was improper.

(o) The lack of any Planning Department record to explain why Lobito (Mr Tay) was permitted to proceed with the development of Lot 656 when its rezoning application had not been approved reflects very poor administrative practices in the Planning Department.

(p) Mr Drescher's report to Council dated 13 September 1989 concerning the application by Lobito Pty Ltd to rezone Lot 656 to increase the gross leasable floor area and his report dated 14 February 1990 concerning Mr Smith's application to operate a pharmacy in the medical centre on Lot 656 were inadequate and deliberately misleading. Mr Drescher deliberately misled Council as to the history and significance of the existing zoning restrictions on Lot 656 in order to conceal his role in the formation of the agreement by which they were created. His conduct in doing so was improper.

I have today written to the Public Sector Standards Commissioner and the chief executive officer of the Public Sector Management Office bringing to their attention the findings of the final report. I have also written to the Minister for Local Government to bring to his attention the findings of improper conduct against council officers named in the final report. In each instance of improper conduct I have requested that the Minister and these officers consider what action might be taken in respect of the public officers and council officials named in the Royal Commissioner's final report.

Factions: He found that there were factions operating in the council over that period, one of which was led by Dr Bradshaw. There was no evidence to suggest that members of Dr Bradshaw's faction, other than Dr Bradshaw himself and Mr King, were corrupt. There was no evidence to suggest that members of Dr Bradshaw's faction even voted as a block on all occasions.

Recommendations: The Royal Commissioner concludes his report with a set of recommendations. These recommendations are detailed in full at pages 1087 to 1090 of the final report and can be summarised as follows -

Conflicts of interest: The Royal Commissioner believed that after the problem of electoral donations the issue of conflict of interest is the most pressing ethical problem confronting councillors and staff of local council authorities. He says that the new Local Government Act does not significantly improve on the conflict of interest provisions of the old Act. The new Act does not address pecuniary interests unconnected to the matter under consideration but which may still affect the judgment of the councillor or staff member, or non-pecuniary interests which create a conflict of interest or the perception of a conflict of interest. In this regard he recommends amendments to the Local Government Act 1995 - page 1067.
Gifts: The Royal Commissioner recommends amendments to the April 1997 code of conduct prepared in compliance with section 5.103 of the Local Government Act 1995 as there is presently enormous scope for abuse of the system as qualified by the present provisions. He recommends that the code include an absolute prohibition on the acceptance of benefits of any description by councillors and council staff from persons or entities having dealings with the council - page 1088.

Council interference in commercial activities: The commission identified two instances where staff and council tried to bring parties together in relation to matters before the council. In neither case was there a community interest in council’s becoming involved in a negotiated settlement. It is plainly improper for councillors or staff to involve themselves in negotiations between interested parties. This type of unwarranted interference in commercial activities should cease. Those responsible for the supervision, education and training of staff should be vigilant to detect instances of councillors or staff becoming embroiled in matters that do not concern them and to point out the impropriety of the practice at every appropriate opportunity - pages 1074-1076.

Information provided to council: The Royal Commissioner was critical of the quality of advice going to council. He recommends that a way to enforce the requirements for reporting to council is for the chief executive officer and councillors to make it very clear when transgressions are discovered that work of such quality is unacceptable. The response to a transgression should obviously depend on the seriousness of the defect in reporting. However, if it were made plain to department heads as a matter of policy that defective reporting carries serious consequences for them personally, they could be expected to take their responsibility in this area more seriously - pages 1077-1078.

Record keeping: In regard to record keeping, the Royal Commissioner found that, with one or two notable exceptions, the standard of record keeping by council staff at the City of Wanneroo during the time with which the commission was concerned was extremely poor. On numerous occasions council staff were unable to explain to the commission why an action was taken or what action was taken in a particular way because there were simply no records on the file or no file at all to tell the story - page 1078.

The Royal Commissioner questioned the deficiencies in the recording of the minutes of council meetings in chapter five of the interim report. Following the further investigations that have occurred since that time, he is strongly of the opinion that councils should be required to record whether or not there was a discussion on a matter and also the names of councillors who vote for and against individual motions - page 1079.

Supervision of councils: The Royal Commissioner was satisfied that the problems of government and administration experienced in Wanneroo over that period were not unique.

He developed a firm conviction that the only way the conduct of local authorities can be kept within acceptable bounds of behaviour is by constant and fairly restrictive supervision by a very alert overseer; that task falls to the Department of Local Government. The royal commissioner believes that the City of Wanneroo experience demonstrates a need for that department to be well resourced and very active.

It is quite clear from the royal commission's investigations that local authorities at both councillor and administration levels cannot be relied upon to maintain proper standards and a proper level of service to the community without strong and constant supervision from above - page 1083.

The recommendations of the royal commissioner will be referred to the Minister for Local Government for his attention and action.

The royal commissioner, after completing his final report, added an addendum which gives a clear indication of how he thinks that the administration of the City of Wanneroo should be dealt with in the future. He says in response to a submission to him from the Chief Executive Officer of the City of Wanneroo, dated 19 September 1997, the following -

"The observation that "the City of Wanneroo of the late 1980's and early 1990's is significantly removed from the present day operation of this progressive, responsive and responsible local government" is at odds with the evidence given to this Commission by council officers and I do not accept it as an answer to the criticisms levelled in this report. I am still of the view that undesirable attitudes are so entrenched in the culture of the City of Wanneroo that external intervention on the matters referred to in this report and close supervision on ethics and accountability generally will be required, at least for some time yet."

In conclusion, I reaffirm the royal commissioner's finding that he did not uncover any evidence of systemic corruption in the City of Wanneroo between May 1986 and June 1992. I commend this report to members and take this opportunity to thank the commissioner and commission staff for their dedicated efforts in preparing this report. I table the final report of the Royal Commission into the City of Wanneroo, dated September 1997.

[See papers Nos 880A-D.]
Ruling by the Speaker

The SPEAKER: I have received a request from the Leader of the Opposition to allow his speech to be televised and for it to be given the same privileges as were provided to the Premier's statement. I will treat this situation as a special circumstance. I am mindful of the fact - about which I remind the House - that precedent has not been to allow the release of televised material or allow the cameras into the House for any matter other than the Premier's speech on certain matters. However, I am also mindful that recently the House moved a motion that it wanted increased televising of the proceedings of this place and its debate. Therefore, I am prepared to accede to the request of the Leader of the Opposition, and I will allow that footage to be released to the media.

However, I indicate to members that a condition applies to this release because a question arises once members move down this path: What debate and whose speeches will be televised? Consultation will be needed with party leadership, the Legislative Council and many other people to develop a concise policy on this matter. In the interim, I am prepared to allow the Leader of the Opposition to have the footage of his speech released. However, it will be necessary in the new year to reform the policy on this matter.

Debate Resumed

DR GALLOP (Victoria Park - Leader of the Opposition) [2.35 pm]: We just heard a very interesting speech from the Premier in which he told us more about the contemporary Liberal Party, and his leadership of that party, than about the Royal Commission into the City of Wanneroo. Four words were conspicuously absent from the Premier's speech to Parliament today; namely, "Liberal Party" and "northern suburbs".

Why were those four words not mentioned in the Premier's speech today? It is because the Royal Commission into the City of Wanneroo was inquiring into the Liberal Party in the northern suburbs of Perth, Western Australia. Let us be clear about what we are dealing with. The City of Wanneroo contains about a quarter of a million people and is the fourth largest local authority in Australia. Every day the council makes major decisions about the development of the urban area of Perth. Those important decisions have a very great impact on the future development of our metropolitan area. That is what we are dealing with.

I have two very important questions to ask the Government: First, why did the Premier not come into this Parliament today and announce the dismissal of the Wanneroo City Council? The royal commissioner writes - not about the City of Wanneroo of 1983, 1986 or 1990, but about the City of Wanneroo of 1996-97 - that he does not accept it as an answer to the criticisms levelled in his report that it is a different council today from what it was then. He is still of the view that undesirable attitudes are so entrenched in the culture of the City of Wanneroo that external intervention on the matters referred to in his report and close supervision of ethics and accountability generally will be required at least for some time yet.

That report went to the Government of Western Australia. What has the Premier done about it? He has written two letters. That is the decisive leadership we have got from this Premier and Government on the major city council of Western Australia. One letter was to the Commissioner for Public Sector Standards and the other was to the Department of Local Government. What a pathetic response to a report that concludes that there are major problems in the administration of that council. Those problems were also referred to in a recent report on Manakorda Rise which was tabled in this Parliament. If that report was not enough, surely the royal commission report from Commissioner Davis should have been enough to convince the Government that decisive action was needed to clean up that situation once and for all. What do we get? We get two letters. What a Government; what leadership! Let us contrast the Government's approach to the poor Esperance farmer, who is suffering enormous trauma and grief, with its approach to corruption and maladministration in the City of Wanneroo. The full force of the law came down on the Esperance farmer. What happens with Wanneroo? There are two letters. It is pathetic.

The second very important question that has to be answered by the Premier is, why has he not introduced legislation into this Parliament to provide for the disclosure of donations at the local level? Has he prepared that legislation? Is it ready to come into this Parliament? He has had the report for six weeks. To give an absolutely clear view, let me refer to what the royal commissioner says about political donations and their proper disclosure. The commissioner believes that the problem of electoral donations is the most pressing ethical problem confronting councillors and staff of local government authorities. Did the Premier announce in his speech today that legislation on this matter would be introduced? Did he inform the House that legislation is ready to come into this Parliament to be through this Parliament by the end of this year so that local authorities throughout the State are subject to a proper regime of disclosure? No.

The Premier has had this report for six weeks and he has known what the royal commissioner, Mr Davis, had to say about that matter. It is ironic that the very work of this royal commission was constrained, as the counsel assisting said in her summing up address, because of the lack of disclosure legislation at the local government level.
Mr Court: Cabinet does not see this report until you do, my friend. Cabinet will receive that report now.

Dr GALLOP: The Premier has not done a thing about disclosure.

The two questions I have following my reading of this report are: Why has that council not been sacked? Why has the Premier not announced as a matter of urgency that he will bring in legislation about disclosure? Perhaps the answer to these questions can be found if we look into the real history of this matter - not the doctored history the Premier gave in the one-quarter of his speech in which he addressed comments made in this Parliament by members of the State Parliamentary Labor Party, but what we have gleaned from his comments about the statement of the royal commission and how it operated over previous years.

The Opposition advocated in Parliament this royal commission; therefore, we welcome this report. When we consider the attitude the Government has taken on this issue, perhaps we will see from history why proper and decisive leadership is not being shown now the Government has the report of the royal commission. This Government has always been reluctant to deal with this matter in a proper way.

The royal commission report is welcome. However, as counsel assisting said when summing up on this matter, the report was constrained in significant ways. She mentioned it was constrained directly by the decisions or non-decisions of this Government. First, there was a non-decision; that is, not to have this inquiry in place until it was too late. I will explain that matter in a minute. Second, the decision was made to set the terms of reference in a particular way so the full story of Wanneroo could not come out. Let us consider the excessive delay.

There is no doubt this Government was dragged kicking and screaming into having a royal commission into Wanneroo. When this issue first emerged in 1993 the response of the Premier and the Government was to cover up. Their approach was, "Let us hold our ranks together and the Opposition, the media, and people who have been active in the Wanneroo area and who called for this royal commission will eventually go away and leave us all to our normal activities in that area, the Government of this State and the factional system in the Liberal Party." The Opposition started asking questions in 1993. It was only in March 1996 that the reconvened inquiry was given the powers of a royal commission. Apart from anything else, this meant the majority of findings were handed down after the 1996 election. The Premier won on that one: His tactic of delaying the commission's report for so long that it would not be brought down until after the 1996 election achieved the purpose he set. This time lapse meant there were great problems for people remembering events. Counsel assisting pointed this out in her summing up to the royal commission in September this year. Witnesses' memories became hazy and delay became a convenient way to avoid answering tricky questions.

The long delay also had a fundamental effect on the information that was made available. Counsel assisting made the point that obtaining documentary evidence was very difficult because financial institutions tended to destroy their records after seven years. Most allegations occurred prior to 1990. This meant, therefore, that many financial records were unattainable and money trails vanished into thin air. The delay had a significant impact on the ability of the commission to reach conclusions about a range of issues. The Opposition said at the time that it was a tactic on the part of the State Government, so responsibility for that lies with this Government and its backers in the northern suburbs. What an insult for the Premier to come in here now and say that allegations should have been sent to the proper authorities. One of the first and most important recommendations of the Royal Commission into Commercial Activities of Government and Other Matters was to set up a proper anticorruption commission in Western Australia. That should have been one of the first steps taken by the new Government in 1993, but it did not take that step. Therefore, the Opposition came into this Parliament with the issues and campaigned for a royal commission on this matter.

The second reason that this report cannot be fully comprehensive relates to the terms of reference that were set. Again when counsel assisting the commission summarised the work of this commission she said that the terms of reference were too narrow. Mr Speaker, you would recall the Opposition raising this issue in this Parliament in a number of debates. The report did not take into account the police and their inquiries into the matter. The commission had difficulty in investigating some of the activities of the employees of the City of Wanneroo. It did not look at the council as a whole in terms of the way it operates. I will quote counsel assisting in her summing up.

She states -

In my view it would have been helpful if the terms of reference were drafted more widely to include scrutiny of the council as a whole for the specified period to identify any corrupt or improper conduct, not simply specific types of conduct by councillors only. Corruption does not occur in a vacuum. It is often aided, even hidden, by poor administrative practices including inadequate record keeping, lack of appropriate policy and codes of conduct, lack of training and supervision, and sometimes by sheer incompetence.

We heard the Premier say today in this Parliament that some related issues that were before the courts were not
investigated by the commission. Even the Premier in the statement he just gave in the Parliament acknowledged that point. We have the delay, and the failure of the terms of reference. We have a report, and I congratulate the commissioners on the work they have put in. I look forward to reading all they have to say about this. We must remember the constraints under which they were operating - constraints that were set in this Parliament by this Premier and this Government because they had a vested interest in the whole matter. What might that vested interest have been?

Mr Court: Do you want to make any comment about the member for Kingsley?

Dr GALLOP: No, I want to talk about the current member for Wanneroo. Counsel assisting the commission referred to constraints on her conducting the work of the commission. One of those constraints was that one of the witnesses adopted an antagonistic attitude towards the commission.

Mr MacLean: Too right!

Dr GALLOP: The member for Wanneroo has confirmed that conclusion was validly based. The trouble is that the antagonistic attitude of the member for Wanneroo exists in the Cabinet as well. Why has the Liberal Party always had an antagonistic attitude?

Mr MacLean interjected.

The SPEAKER: Order! I caution members about the misuse of the word "lies". It is not appropriate. The Leader of the Opposition did not accuse anyone and I caution the member for Wanneroo about the use of that word.

Dr GALLOP: The member for Wanneroo will not answer that question. It is a simple question: Why do members of the Liberal Party exhibit an antagonistic attitude? Now we come to the central point of this issue.

[Leave granted for the member’s time to be extended.]

Dr GALLOP: The report’s conclusions, as presented to this Parliament by the Premier today, said there was corruption in Wanneroo. That corruption was led by two individuals, both members of the Liberal Party of Western Australia. Let me quote from counsel assisting in her summing up. It is very similar to what the Premier said the report finally concludes. Counsel assisting the commission states -

Those investigations have revealed that corruption certainly did occur in the City of Wanneroo during the relevant period. However, apart from those matters dealt with by the commission in hearings and matters for which people have already been convicted of criminal offences, there was no evidence found of systemic corruption within the city. That Dr Bradshaw and Mr King were corrupt is beyond doubt. However, this commission has not uncovered any evidence to suggest that those associated with Dr Bradshaw and Mr King were similarly corrupt or were necessarily aware of the corruption of their colleagues.

However, the perception that Dr Bradshaw could control the numbers on council, in my submission contributed to the corruption that did occur. In simple terms, it made him someone who was worth bribing.

In that way any councillor associated with Dr Bradshaw or Mr King who voted in accordance with their wishes rather than according to the merits of the matter was, however unwittingly, facilitating that corruption that was occurring.

Why did the Premier, when he came into this Parliament, not mention that aspect of the situation? Why did he give only four lines to this mysterious thing called factions? It was not factions, it was a Liberal Party faction. It was a Liberal Party faction in the City of Wanneroo that allowed for that corruption to occur and counsel assisting made that very clear in her summing up. I will be interested to see what the royal commissioner has to say about that matter.

Mr Court: Are you going to make any comment at all about the member for Kingsley?

Dr GALLOP: The Opposition wants the Premier to comment on the Liberal Party in the northern suburbs. Where are they? Where is the Premier's decisive action in relation to this major issue in Western Australia today?

Mr Court: You have not got the decency to apologise.

Dr GALLOP: We have decency, my friend! We also know what needs to be done. However, the Premier will not
do that because it is not in his interests to do it. We know why it is not in the Premier's interests to do what should be done without any delay - that is, the dismissal of that council and the placement of proper commissioners so the council can get its act together and the people who live in that area can go about their business in a proper way.

Opposition members: Hear, hear!

Question put and passed.

PETITION - NURSING HOME CARE

DR GALLOP (Victoria Park - Leader of the Opposition) [2.58 pm]: I present the following petition -

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled.

We the undersigned petitioners believe that nursing home care should be equally available to all Australians on the basis of clinical need, irrespective of a person's capacity to pay for that care. Accordingly we call on the Federal Government to abolish the entry fee and the extra daily fees for those needing a nursing home bed.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 419 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 100.]

STATEMENT - MINISTER FOR PLANNING

Review of Town Planning Appeals System

MR KIERATH (Riverton - Minister for Planning) [3.10 pm]: My brief ministerial statement is about the review of the town planning appeals system. As part of this Government's election commitment to review the appeals system, I commissioned Mr Rod Chapman to critically examine our appeals system in terms of impartiality, fairness, speed, expense and its ability to provide outcomes in regard to sound planning principles. Mr Chapman headed the Office of Racing and Gaming and conducted the review of the Workers' Compensation Board that produced the cheaper, non-litigious workers' compensation system we now enjoy.

As part of the examination process, submissions were sought from a number of peak professional bodies including the Town Planning Appeals Tribunal, Urban Development Institute of Australia, Law Society of Western Australia, Western Australian Municipal Association, Western Australian Planning Commission, Ministry for Planning, Royal Australian Planning Institute and other interested parties.

In the past, the majority of appeals have come to the Planning Minister for determination because it has provided a cheaper and faster means of gaining a decision. There is no right of appeal in legislation against a decision by the Minister and that has brought criticisms that there is a lack of natural justice, that parties cannot challenge the evidence or findings given to the Minister and that the Minister is open to departmental, political and community pressure. The Town Planning Appeals Tribunal is perceived to be time consuming, expensive and legalistic.

I asked Mr Chapman to develop options for improving or restructuring the present dual system and I will shortly table his report. The report recommends a new system to make the appeals process more informal and simple, and one that provides greater protection for the rights of appellants. Appellants can opt to have their appeal dealt with informally, based on written statements, or by law or formal hearing by a new appeals body to be called the Town Planning Appeal Authority.

Appellants can still opt for legal representation but there are restrictions on the right to cross-examine and re-examine witnesses.

Mediation has been introduced as a compulsory first step in the appeals process, unless the appeal authority feels it would serve no useful purpose. Virtually all appeals will be made to the appeal authority, except where appeals are requested by or referred to the Minister. All appeal decisions will be made public with details contained in the annual report of the appeal authority, which should satisfy the Opposition's demands for changes to the appeals system.

I think Mr Chapman has done an excellent job and I table his report.

[See paper No 881.]