



**Joint Standing Committee on the Corruption and Crime  
Commission**

# Annual Report 2013-14

Report No. 17  
September 2014

Parliament of Western Australia

## Committee Members

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Chairman	Hon Nick Goiran, BCom, LLB, MLC Member for South Metropolitan Region
Deputy Chairman	Mr Peter Watson, MLA Member for Albany (member from 11 February 2014)
	Mr Paul Papalia CSC, MLA Member for Warnbro (member until 7 February 2014)
Members	Hon Adele Farina, BA, LLB, MLC Member for South West Region
	Mr Nathan Morton, BSc, GradDipEd, MLA Member for Forrestfield (member from 19 March 2014)
	Mr Sean L'Estrange, BEd, DipT, MEd, GradDipResourceMan, GradDipMan, psc(j), MLA Member for Churchlands (member until 19 March 2014)

## Committee Staff

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**Joint Standing Committee  
on the Corruption and Crime Commission**

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**Annual Report 2013-14**

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Report No. 17

**Hon Nick Goiran, MLC and Mr Peter Watson, MLA**

Laid on the Table of the Legislative Assembly and the Legislative Council  
on 11 September 2014



## Chairman's Foreword

The Joint Standing Committee on the Corruption and Crime Commission was established for the 39<sup>th</sup> Parliament on 22 May 2013. The principal role of the Committee as laid out in Standing Order 289 of the Legislative Assembly is to “monitor and report to Parliament on the exercise of the functions of the Corruption and Crime Commission and the Parliamentary Inspector of the Corruption and Crime Commission.”<sup>1</sup> This report is the first that outlines the work of the Committee for a full year in this 39<sup>th</sup> Parliament. The previous annual report provided information mainly in regard to the work of the Committee in the 38<sup>th</sup> Parliament.

The incoming Committee visited the Corruption and Crime Commission (CCC) on 26 August 2013 for a briefing on its activities and was hosted by the now former Commissioner, Mr Roger Macknay QC. A similar visit was organised on 5 May 2014 for incoming members Mr Watson MLA and Mr Morton MLA when they joined the Committee, and was hosted by Acting Commissioner Mr Shanahan SC.

Each year it has been the practice of the Committee to convene annual public review hearings attended by the CCC's Commissioner and Executive Staff, and, separately, by the Parliamentary Inspector (PICCC) and his Assistant. This practise continued in this reporting period with hearings held with the PICCC on 16 October 2013 and with the CCC on 23 October 2013.

The Committee spent the initial months of this reporting period finalising its work on the timeliness of misconduct investigations undertaken or overseen by the CCC. The Committee's interest in the matter arose from evidence given by Commissioner Macknay to the Joint Standing Committee of the 38<sup>th</sup> Parliament in November 2012 that the CCC did not, at that time, have guidelines for how long misconduct investigations should take. This issue had been referred to the PICCC for inquiry. The Committee has tabled four reports on the matter that had been prepared by the PICCC and is pleased to note that major changes in procedures have been implemented by the CCC following these reports. The CCC will now report on its own performance regarding timeliness in its annual reports tabled in Parliament, and the Committee will continue to monitor the outcome via the annual review process.

Another major component of the Committee's work in this reporting period was the reporting of the CCC's review of misconduct risks associated with the deployment of undercover police officers. The Committee in the previous Parliament had voiced

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1 The complete Standing Orders of the Legislative Assembly of the Parliament of Western Australia, as amended on 18 June 2008, are available at: [parliament.wa.gov.au/webcms/webcms.nsf/resources/file-assembly-standing-orders/\\$file/Assembly+Standing+Orders.pdf](http://parliament.wa.gov.au/webcms/webcms.nsf/resources/file-assembly-standing-orders/$file/Assembly+Standing+Orders.pdf). Accessed on 13 September 2013.

concerns that the CCC had not undertaken a specific review on the use by WA Police (WAPOL) of controlled operations conducted under the provisions of the *Prostitution Act 2000* and the *Misuse of Drugs Act 1981*. However the *Criminal Investigation (Covert Powers) Act 2012* now gives WAPOL the power to self-authorise some covert operations and it is this new legislation that WAPOL now rely upon for these powers. The CCC audits WAPOL's use of these new powers and reports annually to Parliament on these activities. The Committee reported on these matters to Parliament on 30 June 2014.

The Committee's Report 8- *Report into emails between staff of the Department of Corrective Services and the Corruption and Crime Commission*, was tabled in December 2013. It contains the outcomes of an inquiry by the PICCC into the CCC's assessment and the action it took in relation to emails sent between one of its own officers and an officer in the Department of Corrective Services (DCS). This inquiry was instigated by the PICCC after an article by a journalist had appeared on the front page of *The West Australian* titled 'Dirty Tricks Email Trail' on 2 July 2013. This report was followed by a supplementary one from the PICCC, Report 11, tabled in May 2014.

The Committee's Report 10- *WA Police's use of Part 4 'exceptional powers' in the Corruption and Crime Commission Act 2003* (the CCC Act), was an important analysis of why WA Police have not used these powers since March 2012. The Joint Standing Committees in the 37<sup>th</sup> and 38<sup>th</sup> Parliaments had also enquired into this matter. The non-use of these powers has meant that one of the two main purposes of the CCC Act, to combat and reduce the incidence of organised crime, was not achieved by the Commission during the period 2012-13.

As Committee Chairman, I would like to take this opportunity to thank all of the people who appeared before the Committee over the past 12 months as witnesses, as well as those who made themselves and their facilities available for Committee briefings. In particular I would like to thank the former CCC Commissioner, Hon Roger Macknay QC; the Acting CCC Commissioners, Mr Neil Douglas and Mr Christopher Shanahan SC; the WAPOL Commissioner, Dr Karl O'Callaghan APM; and the Parliamentary Inspector, Hon Michael Murray QC, and their staff for assisting the Committee to effectively carry out its oversight role.

I would also like to thank my fellow Committee Members, whose support and professionalism I very much appreciated. The Committee's initial Deputy Chairman, Mr Paul Papalia CSC MLA, who was replaced by the Member for Albany, Mr Peter Watson MLA, in February 2014. The Member for Churchlands, Mr Sean L'Estrange MLA, who was a member until March 2014, and who was replaced by the Member for Forrestfield, Mr Nathan Morton MLA, and the Member for the South West, Hon Adele Farina MLC.

The Committee members are ably supported by the Committee's Secretariat, Dr David Worth and Ms Jovita Hogan, who provided professional support over the past 12 months to me and the Committee members.

A handwritten signature in blue ink, consisting of a stylized 'N' and 'G' with a horizontal line extending to the right.

**HON NICK GOIRAN, MLC**  
**CHAIRMAN**





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# Chapter 1

## Committee activities

### The Committee's activities at a glance

During the course of the reporting period the Committee:

- met for deliberative meetings on 29 occasions;
- held six public hearings attended by 17 witnesses;
- held nine closed hearings attended by 23 witnesses;
- met for nine briefings at which 16 people provided information;
- undertook investigative travel to Sydney, Canberra and Melbourne;
- attended four conferences; and
- tabled 11 reports in both Houses of Parliament.

### Public hearings

Pursuant to Legislative Assembly Standing Order 264, the Committee has power to send for persons, papers and records. During the period 1 July 2013 – 30 June 2014 the Committee conducted six public hearings, taking evidence from 17 witnesses to assist with its investigations.

**Table 1:** Public hearings of the Committee: 1 July 2013 – 30 June 2014

Date	Name	Role	Organisation
26 August 2013	Mr Roger Macknay, QC Mr Mike Silverstone	Commissioner Executive Director	Corruption and Crime Commission
9 September 2013	Mr Roger Macknay, QC Ms Michelle Harries Mr John Lynch	Commissioner General Counsel Acting Deputy Director Operations	Corruption and Crime Commission
16 October 2013	Hon Michael Murray, QC	Parliamentary Inspector	Office of the Parliamentary
	Mr Murray Alder	Assistant to the Parliamentary Inspector	Inspector of the Corruption and Crime Commission

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23 October 2013	Mr Roger Macknay, QC Mr Mike Silverstone Mr Roger Watson Mr Maurice Hanrahan	Commissioner Executive Director Director, Corruption Prevention Chief Finance Officer	Corruption and Crime Commission
13 November 2013	Dr Karl O'Callaghan, APM Mr Chris Dawson, APM Mr Scott Higgins	Commissioner Deputy Commissioner (Operations) Acting Commander State Crime	WA Police
4 December 2013	Mr George Tilbury Mr Brandon Shortland Mr Jonathon Groves	President Vice President Deputy Vice President	WA Police Union of Workers

### Closed hearings

Pursuant to Legislative Assembly Standing Order 271(3), the Committee may resolve to take evidence in closed session. During the period 1 July 2013 – 30 June 2014 the Committee conducted nine closed hearings.

**Table 2:** *Closed hearings of the Committee: 1 July 2013 – 30 June 2014*

Date	Name	Role	Organisation
21 October 2013	Dr Karl O'Callaghan, APM Mr Duane Bell Mr Dominic Staltari, APM	Commissioner Assistant Commissioner (Intelligence and Communications) Assistant Commissioner, (Professional Standards)	WA Police
9 December 2013	Dr Karl O'Callaghan APM	Commissioner	WA Police

	Mr Chris Dawson, APM Mr Duane Bell  Mr Dominic Staltari, APM	Deputy Commissioner (Operations) Assistant Commissioner (Intelligence and Communications) Assistant Commissioner, (Professional Standards)	
19 February 2014	Mr Roger Macknay, QC Mr Mike Silverstone Mr Paul O'Connor Mr Kim Papalia	Commissioner  Executive Director Director, Legal Services Director, Operations	Corruption and Crime Commission
26 February 2014	Mr Roger Macknay, QC Mr Mike Silverstone Mr Paul O'Connor Mr Roger Watson	Commissioner  Executive Director Director, Legal Services Director, Corruption Prevention	Corruption and Crime Commission
6 March 2014	Hon Michael Murray, QC Mr Murray Alder	Parliamentary Inspector  Assistant to the Parliamentary Inspector	Office of the Parliamentary Inspector of the Corruption and Crime Commission
9 April 2014	Mr Roger Macknay, QC Mr Mike Silverstone Ms Mia Powell	Commissioner  Executive Director Manager Executive Services	Corruption and Crime Commission
7 May 2014	Mr Joseph McGrath, SC	Director of Public Prosecutions	
18 June 2014	Hon Michael Murray, QC	Parliamentary Inspector	Office of the Parliamentary Inspector of the Corruption and Crime Commission
18 June 2014	Hon Wayne Martin, QC AC	Chief Justice	WA Supreme Court

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### Briefings

In addition to gathering evidence during formal hearings, the Committee received nine briefings during the reporting period. The briefings were used to gain information in relation to the Committee's inquiries as well as other matters.

**Table 3: Briefings received by the Committee: 1 July 2013–30 June 2014**

Date	Name	Role	Organisation
25 September 2013	Mr John Hyde	Chairman	GOPAC Oceania
19 March 2014	Mr Roger Macknay, QC	Commissioner	Corruption and Crime Commission
31 March 2014	Mr Christopher Shanahan, SC		
27 May 2014 <b>Sydney</b>	Mr Allan Kearney	Director, Prevention and Information	Police Integrity Commission
	Mr Gary Kirkpatrick	Acting Director, Operations	
	Ms Michelle O'Brien	Commission Solicitor	
	Mr David Hudson	Deputy Commissioner	New South Wales Police Force
28 May 2014 <b>Canberra</b>	Assistant Commissioner Shane Connelly	National Manager, Human Resources	Australian Federal Police
	Commander David Mclean	Manager, Professional Standards	
	Mr Philip Moss	Integrity Commissioner	Australian Commission for Law Enforcement Integrity
	Ms Sarah Marshall	Acting Executive Director Operations	
Mr Tony Alderman	Acting Executive Director Secretariat		
29 May 2014 <b>Melbourne</b>	Mr Nick Sellars	Acting Executive Director	
	Mr Stephen Leane	Assistant Commissioner (Professional Standards)	Victoria Police
	Mr Robin Brett, QC	Inspector	Victorian Inspectorate
Mr Neal Jedwab	Chief Operations Officer		

## **Investigative travel**

In May 2014 the Committee travelled to Sydney, Canberra and Melbourne where it was briefed by senior staff from police and their oversight agencies (see Table 3 above) to gather evidence for its *Inquiry into improving the working relationship between the Corruption and Crime Commission and the Western Australia Police*.

## **Anti-corruption workshop**

The Committee was invited to attend a *Workshop on Parliamentary Oversight* in the Cook Islands coordinated by the Global Organization of Parliamentarians Against Corruption (GOPAC). GOPAC is an international network of parliamentarians dedicated to good governance and combating corruption throughout the world. The workshop was conducted by representatives from the United Nations Development Program (UNDP) in conjunction with the United Nations Office on Drugs and Crime (UNDOC). The Cook Island Parliament has a twinning arrangement with the Western Australian Parliament. The Speaker approved the Chairman and the Member for Churchlands to attend the workshop on 5–6 February 2014.

## **Conferences**

The Committee attended four conferences in this reporting period:

- International Serious and Organised Crime Conference 2013, Brisbane;
- 3rd Annual Public Sector Fraud and Corruption Congress, Melbourne;
- 2013 Australasian Study of Parliament Group Conference, Perth; and
- Australian Public Sector Anti-Corruption Conference 2013, Sydney.

## **Reports tabled**

The Committee tabled eleven reports in Parliament during the reporting period. These were:

Report 4 - *The timeliness of misconduct investigations undertaken or overseen by the CCC: An interim report* (15 August 2013);

Report 5 - *The timeliness of misconduct investigations undertaken or overseen by the CCC: Supplementary report* (19 September 2013);

Report 6 - *Annual Report 2012-13* (17 October 2013);

Report 7 - *The timeliness of misconduct investigations undertaken or overseen by the CCC: Additional information* (5 December 2013);

Report 8 - *Report into emails between staff of the Department of Corrective Services and the Corruption and Crime Commission* (12 December 2013);

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Report 9 - *The CCC's interaction with the State's Integrity Coordinating Group* (27 February 2014);

Report 10 - *WA Police's use of Part 4 'exceptional powers' in the Corruption and Crime Commission Act 2003* (10 April 2014);

Report 11 - *Emails between staff of the Department of Corrective Services and the Corruption and Crime Commission: Supplementary Report* (8 May 2014);

Report 12 - *WA Police Union complaint in regard to the partiality of the Parliamentary Inspector of the Corruption and Crime Commission* (8 May 2014);

Report 13 - *The timeliness of misconduct investigations undertaken or overseen by the Corruption and Crime Commission: Final Report* (19 June 2014); and

Report 14 - *CCC review of misconduct risks associated with the deployment of undercover police officers* (26 June 2014).



## Chapter 2

### Financial statement

The Joint Standing Committee does not have its own formal budget and is funded out of the budget of the Legislative Assembly. Approval for major expenditures is required on a case-by-case basis and is entirely at the discretion of the Speaker.

The Committee's expenditure for the financial year 1 July 2013 – 30 June 2014 (in accordance with Standing Order 276) is detailed below.

**Table 4:** Committee expenditure: 1 July 2013 – 30 June 2014

Item	Amount
Postage and couriers	\$3,866
Printing	\$4,194
Investigative travel	\$104,168
Staff and Member amenities	\$870
Miscellaneous	\$220
<b>Total</b>	<b>\$113,318</b>

Notes:

- *Salaries of committee staff are not included.*
- *Costs of shared administrative expenses, including lease costs for committee accommodation, are not included.*
- *Some travel costs associated with travel in 2013-14 were allocated to the previous financial year.*



# Appendix One

## Committee's functions and powers

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On 21 May 2013 the Legislative Assembly received and read a message from the Legislative Council concurring with a resolution of the Legislative Assembly to establish the Joint Standing Committee on the Corruption and Crime Commission.

The Joint Standing Committee's functions and powers are defined in the Legislative Assembly's Standing Orders 289-293 and other Assembly Standing Orders relating to standing and select committees, as far as they can be applied. Certain standing orders of the Legislative Council also apply.

It is the function of the Joint Standing Committee to -

- a) monitor and report to Parliament on the exercise of the functions of the Corruption and Crime Commission and the Parliamentary Inspector of the Corruption and Crime Commission;
- b) inquire into, and report to Parliament on the means by which corruption prevention practices may be enhanced within the public sector; and
- c) carry out any other functions conferred on the Committee under the *Corruption and Crime Commission Act 2003*.

The Committee consists of four members, two from the Legislative Assembly and two from the Legislative Council.