JOINT STANDING COMMITTEE ON THE CORRUPTION AND CRIME COMMISSION

HEARING WITH THE PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION



TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
WEDNESDAY, 1 NOVEMBER 2017

Members

Ms M.M. Quirk, MLA (Chair)
Hon Jim Chown, MLC (Deputy Chair)
Mr M. Hughes, MLA
Hon Alison Xamon, MLC

Hearing commenced at 10.08 am

Hon MICHAEL MURRAY

Parliamentary Inspector of the Corruption and Crime Commission, examined:

The ACTING CHAIR: On behalf of the committee, I would like to thank you for agreeing to appear today. My name is Alison Xamon and I am a member of the Joint Standing Committee on the Corruption and Crime Commission. Mr Matthew Hughes, MLA, is also present today. Our Chair and the Deputy Chair send their apologies for being unable to attend. It is important that you understand that any deliberate misleading of this committee may be regarded as a contempt of Parliament. Your evidence is protected by parliamentary privilege. However, this privilege does not apply to anything that you might say outside of today's proceedings.

Before we begin with our questions, do you have any questions about your attendance here today?

Mr MURRAY: None at all.

The ACTING CHAIR: I thought I should add that we do have some questions that may be better answered within a closed hearing later on in the proceedings. Maybe you can keep that in mind if you feel that there are answers to questions that are probably better directed to you in the closed hearing.

Mr MURRAY: By all means.

The ACTING CHAIR: We are here, obviously, to ask some questions, particularly to the matters that you have raised within your annual report. I might direct the first questions to my colleague.

Mr M. HUGHES: Mr Murray, if you feel you have anything more to add to your report, please feel free to elaborate on those.

[10.10 am]

Mr MURRAY: I think not. One thing, I suppose, that might be mentioned appears—I apologise for the fact that the people who printed it, I have only just noticed, did not paginate the early part of the document, which was unhelpful. If you go to the section that we talked about, the workload of the office, it is probably something that should be borne in mind that the matters are steadily increasing, but the workload, I think, is not increasing proportionately, which probably reflects the fact that when I started in 2013 marks the time at which it was discovered that the reporting process to me of difficulties within the commission with its officers had not been working properly. The notification process had been rather sparingly used. When that was put right, I got a flood of matters that resulted in some major reports and a considerable amount of investigation. There were really serious systemic issues in respect of what was then known as the operational support unit because they had been separated away from the ordinary governance processes of the commission and quarantined off in a little world of their own, which they asserted at the time was vital to enable them to deal with matters of covert investigation, surveillance and things of that sort. It was taken to extremes. For example, I never indulged in this myself but I gather that it did not matter who you were, if you were to visit their premises, you were taken blindfolded in a motor vehicle and taken by a rather extraordinary route so that you would not be able to work out where you had gone. All that sort of thing was being done so it was really over-the-top stuff. The difficulty that had emerged was that they had acquired what can only be described as a purple circle of bad eggs from other states and other forces. They had run amok to the extent that they were committing criminal offences—some of them—of more or less seriousness. Perhaps the most serious of them was effectively stealing funds that they had been provided to support their investigation process. The least serious is probably the sort of activity which involved them falsifying records for the purpose of claiming allowances for being at work when they were not and all that sort of thing. That was the situation and at that time it had not been able to be organised by previous inspectors. The one prior to me was the former President of the Court of Appeal, Chris Steytler. The one prior to him, of course, was Malcolm McCusker. They had operated out of a room in the middle of what was then known as the Department of the Attorney General. I did not want to put up with that and said I thought it was entirely inappropriate that a parliamentary officer should be lodged with a department that might well be the subject of investigation or would wish to make complaints to me about the way they had been treated by the CCC. It took some time, but we got premises of our own. They have enabled us to operate efficiently and effectively—much more efficiently and effectively, which has also helped meet the demands of the office. Of course my position is a parttime position. I do not think there is any need to change that situation. Perhaps about three or four years ago we endeavoured to obtain approval for an additional legal officer and it was not able to be done. I think we are now back in the situation where, although, as I mentioned in the report, the amount of business is increasing and over that period has increased quite substantially, I think we are coping.

Mr M. HUGHES: In terms of coping, is the FTE allocation sufficient to your need or would you continue to advocate for an increase in staffing?

Mr MURRAY: I think on the margins an increase would be justified.

Mr M. HUGHES: You have mentioned a 0.5 full-time equivalent in the past. Is that still in your mind?

Mr MURRAY: Yes. But the urgency and the capacity to deal with things without going to that length is acceptable.

The ACTING CHAIR: In terms of the types of matters that you are now investigating, I note that, for example, your report around Dr Robert Cunningham and Ms Catherine Atoms would have required quite a bit of independent research. I would imagine there might be other matters of similar scope that come to your attention. More than just the number of matters that get referred, could you please give us some information and perhaps reflect on the complexity of the matters and how that is now compared to how it was when you first took on the role? If I can also just clarify that what you are saying is that when you originally took on the role, you effectively had a backlog of matters to deal with in terms of the internal operations within the CCC—can I confirm that it is part of what explains what has happened with the workload?

Mr MURRAY: The outcome of that initial process, so far as I was concerned in this office, was a much-improved process of governance within the CCC, particularly coinciding with John McKechnie's appointment as commissioner. We have been involved in that. I have been consulted in relation to that. The governance processes are substantially improved. I think that has had a consequence that matters which involve systemic problems for the commission have reduced. Now, they still crop up from time to time. I think we have published a report to you which dealt with the complaint about what I call the stop notices by which the commission governs a process which involves joint investigation with the police in relation to a matter of mutual interest.

Mr M. HUGHES: Section 42.

Mr MURRAY: Section 42 notices, yes. That reflects and continues, I suppose, to reflect in one sense a systemic issue, an issue where I would take a different approach to its resolution than the commissioner would. The point, Madam Chair, that you are making, I think is that you cannot

predict, really, when that is going to arise because the matter does not come before me, unless something goes wrong. If people are coping, I do not have the capacity in terms of resources to say, "I'll go into the commission and I'll sit and look at all the files that relate to this aspect or that aspect of the commission's processes." My office relies upon, apart from the standard sort of matters which are described as the audit work, and I do not need to elaborate on that—my involvement with commission activities is dependent upon notification of problems that have arisen in the commission, complaints of misconduct, complaints by people who are unhappy with the way the commission has dealt with them. That will springboard a wider investigation from time to time, but it is not entirely satisfactory. The audit process still continues to have that difficult area where we have been unable to get the commonwealth to move to make amendments to the Telecommunications (Interception and Access) Act. But they are relatively isolated problems. I mentioned that yet again in this report.

[10.20 am]

Mr M. HUGHES: You have raised this with the committee before informally in terms of conversations you have had with your colleagues interstate regarding the same issue.

Mr MURRAY: Yes.

Mr M. HUGHES: Do you see a way forward? It was a matter that was, I think, addressed in the report.

Mr MURRAY: Yes, in the report we had on the recent conference; yes. For myself, I do not see any further way forward.

Mr M. HUGHES: It requires the commonwealth to do something.

Mr MURRAY: It does and it is hardly top of the list in relation to their priorities. It has not been for years. When we started to discuss that at the conference with my interstate colleagues, I expressed the view that we had reached the end of the line in relation to that and we just had to accept the situation. As you will see from that little report, they turned me around and said, "No; have another go", and so we will.

Mr M. HUGHES: So what kind of hindrance does it pose, if I can use that word?

Mr MURRAY: It is difficult to say, but it is perhaps a potential minefield, and I say that because it would be a much smaller problem in this state than in New South Wales. But in New South Wales, as you see from the report we made on that conference, they have established a new office with Mr Terry Buddin, SC, to perform it, which will be substantially concerned almost entirely with an audit process in relation to materials of that kind, and they expect some thousands a year. I am sure it is nothing like that magnitude in this state. It is potentially a substantial hole. Whether or not it is, we have no way of saying, except that we see the service documentation which would suggest that it probably would not be a huge impost in the audit process if we had the capacity which was being sought.

I am sorry; I think I sidetracked myself in relation to that. Although other matters, and I suppose Cunningham would be a good example—I am in the process of finalising two or three similar matters. One involves a person that they inherited from Curtin University's integrity office and I am in the process of finalising that by doing the circulation for submissions on adverse comments. They acquired this officer and, contrary to his contractual and statutory obligations at Curtin, he kept a confidential document which involved matters of potential interest to the commission. If I go off the record briefly, he sought to big-note —

The ACTING CHAIR: Can I interrupt? You are not able to go off the record.

Mr MURRAY: All right.

The ACTING CHAIR: This is a public hearing, so maybe if you make a note of that, we can revisit that in the private session.

Mr MURRAY: No; it is quite all right. I just will not make the smart alec comment that I was about to make.

Whatever was his motivation, he then disclosed that document to the commission at the outset of his work there. So there is a misconduct question that is of an isolated character. There is no indication that that is occurring generally, but it also required some substantial investigation, and you cannot tell when it is going to come.

The other matter of that kind which should be mentioned is the report that was made in relation to the person that we identified because we thought we had to—a man by the name of Lynch. So that is a similar sort of problem area. There is another one that I am in the process of finalising which involves a senior commission investigator who, because he did not read the documentation by way of affidavit, allowed the Supreme Court to be misled into granting a surveillance warrant when the information before the court was incomplete because there had been no authorisation, which is required, by the commissioner before the application was made. So, not so serious in itself perhaps because one might say, "Oh, well, a careless oversight." But when the careless oversight involves misleading the Supreme Court judge, it takes on a rather different complexion.

I mention those three matters by way of examples of isolated, non-systemic misconduct issues which can involve some substantial investigatory process. But then, of course, there are a substantial number which, apart from a perusal of the work that is being done and that appears on the face of the commission's files, involve very little before you can make a conclusion that, one way or another, there is something there or there is nothing to be further pursued.

The ACTING CHAIR: In your annual report you have raised the issue of the CCC not investigating complaints and use of excessive force by police officers. Of course, this was one of the issues that arose with the Cunningham report. Do you see this as being a systemic and ongoing issue of concern, or do you believe that that was an isolated incident?

Mr MURRAY: I think there are indications that the commission is wrestling with the proper application of the importance to the decision-making process about whether further work needs to be done by the commission in relation to conducting an investigation of police misconduct in particular, because of their concerns about their financial and material capacity, if I can put it that way. Cunningham showed how that can surface, because you will recall that at one stage the commissioner said, perhaps obliquely but nonetheless clearly enough, that one of the factors which dissuaded the commission from reopening that matter and dealing with it properly, whereas it had not been dealt with properly to date, was the question of the application of their resources. I think they are keen to turn their attention more particularly upon the organised crime process and the matters which are to be advanced to make more effective their capacity to make a contribution in that area. I have no quarrel with that. But I think it is a balancing act which needs very careful handling. The question of police misconduct remains core business for the commission and I think, as a personal observation as parliamentary inspector, that the occasion when you can say, "Look this is not worth expending further resources on", where it involves a matter of police misconduct, will almost never occur. I cannot see the justification for it in that area.

[10.30 am]

The ACTING CHAIR: I am concerned though at your suggestion that you believe there may be some underlying systemic issues. I am reflecting also on the evidence you gave earlier saying that the lack of resourcing of your office means that you are not able to proactively order to investigate what is

happening with those claims of police harassment or excessive use of force. I will make the observation that for innocent citizens who are caught up in this sort of conduct, it can be absolutely devastating. Although I think everyone would agree that a focus on organised crime is critical, so is keeping to account those people who are imbued with particular powers within our community. If I can just again clarify, you are confirming that you believe there may be systemic issues around perhaps a lack of appropriate investigation around the police force and their internal investigative processes and that if you were to have more resources at your disposal that that might be an area that might warrant further investigation from your office. Is that correct?

Mr MURRAY: Yes. The only modification to your summary that I would make is that it is impossible for me to say more than that this is an area where there are, on occasions, little worrying signs that a problem might exist during any situation in which I have an incapacity to more aggressively investigate or audit the process.

The ACTING CHAIR: Maybe we will move on to another line of questioning, noting that we probably want to revisit some of this in closed session. We did note that there did not appear to be any referrals from the Public Sector Commissioner to you in the reporting period as your agreed protocol with that office. Is this relationship working well or is it yet to be tested?

Mr MURRAY: Probably the best answer is that it is yet to be tested. I have heard nothing from the Public Sector Commissioner at all.

The ACTING CHAIR: Is that cause for concern at this point?

Mr MURRAY: I think maybe a cause for delight that everything is going swimmingly. How can I say?

Mr M. HUGHES: It is just a fact that you have not received him.

Mr MURRAY: Yes.

The ACTING CHAIR: You meet with the Public Sector Commissioner?

Mr MURRAY: No.

The ACTING CHAIR: I am wondering how the lines of communication would work to actually test that with the Public Sector Commissioner.

Mr MURRAY: Bear in mind that the Public Sector Commissioner deals with matters of minor misconduct, other than those involving my area of jurisdiction, which is the misconduct of commission officers. I would not expect that occasions would arise where the Public Sector Commissioner would be dealing with matters which would habitually become relevant to my jurisdiction or operation. Do I make that clear? In fact when you touch on that, it exposes a question of statutory hiatus, which I am sure I have commented, because it annoys me profoundly and I must have said something about it in a report. But the Public Sector Commissioner may not receive or deal with any complaint in relation to the commission or its officers—that is, any complaint of minor misconduct. I am sure that must be a deliberate qualification upon the creation of those powers, but when you add to that the fact that the commission is now concerned with serious misconduct, its capacity to deal with the matters of misconduct in relation to its officers is limited by that situation. The only area where it is not limited is in relation to police misconduct which—whether it would otherwise fall into the category of serious or minor—I always think minor in this context is a unhappy qualification because a lot of what might pass for minor misconduct within the statute can involve very serious processes of misconduct. But, putting that to one side, the only area where the commission deals now with minor misconduct is in the case of police misconduct, where they have the full gambit still available to be dealt with. So, the commission has no power to deal with minor misconduct, as such, of its officers. The Public Sector Commissioner has no power to deal with minor misconduct, by commission officers. The only person who arguably has any power in that area is me.

The ACTING CHAIR: How would you become aware of that?

Mr MURRAY: Because usually, almost invariably, the sort of allegation that is made has a potential to involve either criminal offending or serious misconduct by way of corruption generally. Then you get a situation in which the minor misconduct reflects that area. You will see that often enough in the reports that have come out. That is the basis upon which you become aware of it, but if the way in which the matter develops is such that the serious misconduct falls away but minor misconduct can be still apparent, then you run into this hiatus. Let me give you an example. In a report, which has not yet reached you but which will, that would be in relation to the way in which a misleading application for a covert surveillance warrant occurred. Potentially, that could involve a criminal offence, because the affidavit, which was false, is something done on oath and might involve one of two quite serious criminal offences—particularly serious if you are talking about the deliberate falsification of evidence of that kind. But then when that falls away, as it will do, the question of minor misconduct in the carelessness and the breach of duty that was involved in not ensuring that everything was properly in order before it was presented to the judge becomes a significant matter. It is in that way that you will usually find out that there are matters of minor misconduct involving commission officers, but also the commission will, of course, under our protocol, refer to me, notify me, of any matter of minor misconduct by a commission officer, which is directly raised.

[10.40 am]

The ACTING CHAIR: I suppose it was that last point that I was wanting to get clarification on.

Mr MURRAY: The protocol covers all that, and the commission will then normally say that we will deal with the industrial aspects, and he and I have different views about that.

Mr M. HUGHES: That goes to the difference of view that you have between the commission and yourself with regard—you have mentioned the Lynch matter early in the piece. So can you provide some further discussion beyond what you have already given us, and particularly potential limits placed on the role of the CCC and the parliamentary inspector?

Mr MURRAY: I find that difficult to answer. Your interest is in whether my role needs to be modified, essentially. I think not. I think the way in which to deal with that is to ensure not only that the commission, as the protocol achieves, takes a broad and non-judgemental view about the circumstances when it must notify me, but also that the commission has restored to it its capacity to deal directly with misconduct across the board in relation to its own officers. That is a safe process, it seems to me, in terms of achieving the proper outcome, because all of that would then necessarily be subject to my oversight. It avoids, then, the alternative, which would be to create me as yet another investigative agency sitting on top of the commission. I think I might have mentioned at an earlier hearing of this committee that that would involve a massive restructuring of the legislative scheme and very substantial increases in a change in the nature of the office of the parliamentary inspector. I do not think that we are anywhere near that; and, if it happened, I would feel compelled to take early retirement.

The ACTING CHAIR: Regarding the difference of interpretation of section 205 of the act between yourself and Commissioner McKechnie, which arose during the 2015 misconduct matters concerning the CCC officers and the electronic collection unit, is this currently constituting any difficulty for investigations?

Mr MURRAY: No, it is not, because I rely entirely upon the opening words of 205, "Without limiting section 208", which gives me ample powers. The commissioner, bless him, would say that my view

about that is wrong, but he happily takes the view that if he points that out to me and I take a different view, then it is my responsibility, and I am happy to accept that. So, in the way in which we deal with each other, it does not impede the process so far as I am concerned.

The ACTING CHAIR: So the difference of opinion has no practical effect?

Mr MURRAY: No, because it leaves me the capacity to make my decisions about when to identify people in the public arena on the basis that it is necessary for the proper performance of my duties that the identity of the person be known, but not otherwise. So it is a matter which I am able to take great care on; and, so, for example, it is a rare case that arises like Lynch did, where I have taken the view that on the public record it deserved to be the case that he had told lies for the purpose of obtaining top security clearance, particularly in circumstances where he was no longer employed by the commission but was contemplating entering into the same field as he had been with the Australian Federal Police and with the commission.

The ACTING CHAIR: What are the sorts of considerations that you would take into account when making a decision to name a CCC officer?

Mr MURRAY: They would be considerations which would be concerned as to whether it was necessary to achieve the appropriate level of—it is an awful word, but the word is transparency, so that those who have an entitlement to know what the situation is in terms of the named individual have that capacity, but only when that can be justified on those close grounds. Now, the position equates, I think, with what is in the statute an articulated area—I am just trying to remember the number of the section—which talks about the commission making a judgement to move from its fallback position of private examinations into a public examination situation. It does so, having considered the demands of public interest, and it is put broadly in that way and that is appropriate enough, as opposed to the dangers which can occur to a person's reputation in situations which might give rise to the sort of problems that have occurred in New South Wales in particular. It is a very general answer. I hope that makes it clear.

The ACTING CHAIR: It is very general. It sounds as though, effectively, you are determining that on a case-by-case basis —

Mr MURRAY: Yes.

The ACTING CHAIR: — and there is no particular guidelines that you are following in terms of making a decision.

Mr MURRAY: There is a guideline in the sense that I apply as a rule, invariably, a consideration of whether the proper performance of my duty to ensure that the matter is being dealt with appropriately and transparently requires or does not require the naming of the individual who is the subject of the allegation of misconduct. Whether that then translates into a decision to name in any particular case, I absolutely agree with you, Madam Chair, it is simply a matter of a judgement on a case-by-case basis, and I am not sure how else you could do it. I think if you have a broadly general criterion that you try to apply across the board, you will create as much injustice as you avoid.

[10.50 am]

The ACTING CHAIR: The committee notes your concerns about the CCC's criminal investigations of allegations made against its officers and the potential for the impact on criminal investigations. Would you like to make any comment on this, particularly in relation to whether this is an issue in any current investigations?

Mr MURRAY: Currently, I do not think there are matters before me which reflect a problem in this area particularly. Lynch was a case, I suppose, in one sense, where the commission thought that the

appropriate course was to deal with what it described as the industrial aspects of the matter and endeavour to persuade me that that foreclosed my review. So, we had a disagreement about the proper interpretation of the statute and section 196(9) and how that fits together with section 196(4) in relation to my review of the way in which it deals with misconduct. Although the commission continues to assert that its view, which is much more generally intrusive than I would say is appropriate, about the significance of dealing with industrial matters and the provisions of section 196(9), although that is a position that the commission maintains, it has not in fact precluded me from appropriate oversight or review in any particular case. That, I think, is caused because the commissioner takes the view that if I am getting that provision wrong, it is my responsibility and not something that he can force against me.

The ACTING CHAIR: Do you feel that it is working okay in practice then, at the moment?

Mr MURRAY: In the relationship generally do you mean?

The ACTING CHAIR: No, specifically in relation to the issue of industrial matters.

Mr M. HUGHES: Differences of view about what would be properly regarded as an industrial matter where you would feel that the conduct itself would suggest something different.

Mr MURRAY: Where I would say it had a different layer because it involved established misconduct. No; the relationship between the commissioner and I, of course, goes back many, many years when he joined the Crown Law Department, as it was known in those days, as a junior officer when I was a Crown Prosecutor, as it was known in those days, and has continued ever since. That has been beneficial, I think, because whilst we have in the areas that we have been discussing, and some other areas we have not touched upon, robust disagreements, the capacity for the interchange of views and to respect each other's positions and take responsibility for your own interpretation of the statute and your power in the exercise of your jurisdiction have been assisted by that relationship.

The ACTING CHAIR: I did not get a full detail before about what sort of audit work, as opposed to the responsive matters, are you prioritising at the moment? I take on board your comments about limitations around resourcing.

Mr MURRAY: The audit process really is an across-the-board examination of commission records that happens on the quarterly basis that is described in that section of the annual report. Potentially, I think it is clear that that has worked and continues to work. I say "potentially" because it is always possible to miss something, but the audit process in that context is one which is designed to look at particular files and, by what is a relatively surface review of the content of the file, determine whether anything jumps at you as being an area where sufficient attention has not been given to the matter even though there has been no complaint to me or no allegation which has been notified to me separately. When that occurs, as I understand the process, Murray Alder will draw that to the attention of the commission, and that, ordinarily, is all that needs to happen. It is a process which gives a reasonable degree of oversight and works quite well.

The ACTING CHAIR: Can I just ask some questions about what is happening with the process of the appointment of the new parliamentary inspector? Could you please just give the committee an overview of where the process is at?

Mr MURRAY: I will do my best.

The ACTING CHAIR: Yes. I understand that you are not responsible for running it, of course, but if you could at least perhaps give some information.

Mr MURRAY: Shortly after he assumed office, I had the benefit of a long and very fruitful session with the Attorney General. My term expires at the end of the year. He asked and I said I would be prepared to take another term. The ordinary process, then, is to express an interest in doing so. It had been the habit to do that by direct letter to the Premier. The Attorney asked that it be submitted through him and I did that.

The ACTING CHAIR: Can I ask how long ago that was?

Mr MURRAY: That was early May.

The ACTING CHAIR: Early May, okay.

Mr MURRAY: The ninth springs to mind. I got a letter from the Attorney on 30 May, saying thank you and that it had all been sent off to the right quarters to be dealt with. The right quarters would be the Solicitor-General, who organises the process of referral or seeing whether there are other expressions of interest, but then referral of the matter to the nomination committee, chaired by the Chief Justice and comprising the Chief Judge of the District Court and the Chief Magistrate. They then send their recommendation directly through to the Parliament—I think, to this committee and the committee notifies the Premier, or the Parliament notifies the Premier that the recommendation either does or does not have bipartisan support. The Premier then takes it through cabinet and Exco to the Governor for the appointment to be made.

[11.00 am]

The ACTING CHAIR: So do you have any further information about where in that process we currently are?

Mr MURRAY: Yes, I think so. I became a little concerned about the time it was all taking and at the end of September—so that is four months after the Attorney had written to me—I got in touch with the Solicitor-General and he said he had no idea what was happening with it. He will be cross with me now that I have told you that, I am sure, but he said he would make an inquiry and came back to me saying that there had been an administrative oversight in his office and nothing had been done, but he said he would get onto it. I have had one further contact asking me to submit directly to the Chief Justice the material that I had submitted through the Attorney, expressing my interest and I accompanied that with a short bio.

The ACTING CHAIR: So has that been done?

Mr MURRAY: Yes, I sent that to the Chief Justice, so I presume —

Mr M. HUGHES: It looks as if it is at the nominating committee stage.

The ACTING CHAIR: Can I ask: when did that occur—that letter? Approximately, if you cannot remember exactly.

Mr M. HUGHES: Between September 30 and 1 November—midway through October?

Mr MURRAY: I think midway through October.

The ACTING CHAIR: Okay, thank you.

Mr MURRAY: All it indicated was that my nervousness about the time it took had some justification.

The ACTING CHAIR: We might go into closed hearing now.

[The committee took evidence in closed session]