

GOVERNANCE AND ADMINISTRATION OF WESTERN AUSTRALIA

Motion

Resumed from 28 March on the following motion moved by Hon Norman Moore (Leader of the Opposition) -

That this house expresses its grave concern at the significant deterioration in the governance and administration of the state of Western Australia resulting from a government preoccupied with continued internal division and conflict, manipulated by outside influences and increasingly demonstrating serious signs of dysfunction, and calls on the government to urgently address the issues raised by the Corruption and Crime Commission and refocus its attention on restoring public confidence in the capacity of the government to govern for all Western Australians without fear or favour.

HON PAUL LLEWELLYN (South West) [11.06 am]: As I said during the urgency motion on Tuesday, 1 000 people, primarily from the south west of Western Australia, registered their protest at the government's plans to tap into the south west Yarragadee aquifer. Those people came in buses, cars and trains and made their way to Perth to register their concerns at the government's proposed reckless action to draw water from that aquifer.

It is true to say that my office printed some cards, which had been distributed over the past few months to many citizens in the south west region. The message on the cards reads -

Dear Mr Carpenter,

I don't want the Yarragadee aquifer pumped.

The Yarragadee aquifer supports an internationally recognised biodiversity hot spot which is drying out at a faster rate than anywhere else in the world. Taking water from it to keep Perth's grass green is nothing short of environmental vandalism.

There are many other water options available such as recycling and improved efficiency.

Look at those instead.

The card I have was signed by Annika Karlsson of 3A Willow Drive, South Bunbury. The people who signed these cards and returned them to my office had them attached to a large length of fabric and then delivered them up St Georges Terrace to Parliament House and placed it at the feet of the Minister for Water Resources, John Kobelke, who failed to accept them. For the purpose of registering the concerns of the citizens in the south west and the members of my electorate, I seek leave to table the cards for the rest of this day.

Leave granted.

[The items were tabled for the duration of the day's sitting.]

[See paper 2579.]

Hon PAUL LLEWELLYN: As I said, these particular documents have been attached to a very large amount of fabric.

Hon Simon O'Brien interjected.

Hon PAUL LLEWELLYN: No; these particular documents are not on a fax machine. However, the documents are in the form of a long river of protest.

The PRESIDENT: Order! I ask that Hon Paul Llewellyn go back to his seat. He should make his comments from his seat.

Hon PAUL LLEWELLYN: These are in the form of a long river of protest, which some 100 citizens carried up St Georges Terrace. There are 60 metres of fabric with approximately 1 800 cards, although I have buckets full of these cards. I will not table the bucket but I will table the documents attached to the fabric.

Point of Order

Hon GEORGE CASH: If the document is to be tabled, is it for the balance of today's sitting? If not, we will find there will be a significant storage problem, not just because of this but because other members will want to do the same and we will have to go out and hire space. If it is tabled for the balance of the day's sitting, that would seem to be reasonable because that has been done before.

The PRESIDENT: Hon Paul Llewellyn sought the leave of the house to table the document for the duration of the day's sitting. The point Hon George Cash raises is perfectly valid and that is one of the matters members

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should bear in mind when they either grant or refuse leave on these sorts of occasions. In this case Hon Paul Llewellyn has obtained the leave of the house to table the document.

Debate Resumed

Hon PAUL LLEWELLYN: This is a very good moment in the Parliament's history because we seldom get to see documents like this tabled. In fact, although I have produced this document through my office and distributed it to citizens, they have registered their concern by signing these things. As soon as possible at the end of the day's sitting I will remove them from the house and deliver them in person to the Premier, Alan Carpenter.

HON ROBYN McSWEENEY (South West) [11.12 am]: One thing I can say about the Labor Party is that it is very consistent and repetitious. It also believes in getting its tentacles into the next generation and the generation following that. I am going to read an article that appeared in *The Sydney Morning Herald* because it refers to the history of the Labor Party and what happened during the WA Inc period. History is very important. The article states -

Lest we forget this ex-premier's crooked past.

Eighteen months ago Perth identity Ronald Wilson died. . . . Allow me to remind you. Someone who would not forget Wilson is Brian Burke, political fixer and convicted thief and liar. On November 19, 1990, Carmen Lawrence, then Labor premier of Western Australia, announced her government's intention to have a royal commission "inquire into certain matters".

Six weeks later on January 8, 1991, Lawrence named a bench of three eminent jurists. One was Sir Ronald Darling Wilson, AC, KBE, CMG, QC. Their brief: "To inquire into and report" if there'd been "corruption, illegal conduct, improper conduct, or bribery" by any person or corporation in the "affairs, investment decisions and business dealings of the government of Western Australia or its agencies".

This is what I mean about repetition -

This was the infamous WA Inc royal commission, the pursuit of the West's many and varied corporate, political and financial atrocities of the 1980s during Brian Burke's five unrestrained years as premier before his friends in the Hawke government in Canberra sent him to Dublin in 1988 as Australia's ambassador. The royal commission cost WA taxpayers \$30 million, including \$12.5 million in witness costs. Of the latter, \$3.6 million funded Burke's legal fees (\$1.7 million) and those of his deputy premier, David Parker (\$1.9 million).

On October 20, 1992, the commissioners brought down their findings in six volumes totalling 2000 pages. Some of the peccadilloes of ex-premier Burke and his elder brother, Terry, elicited during months of public hearings, both appalled and titillated. I don't mean the state government decisions that cost Western Australia a minimum \$600 million in "deals" with Alan Bond, Laurie Connell and other corporate figures, all big contributors to Labor Party funds.

I mean the \$600,000 as Terry Burke's "commission" for the millions paid to brother Brian, as premier, in "campaign donations", just as premier Burke's personal secretary, Brenda Brush, was paid \$55,000 as a "special consultant" to "assess" Terry Burke's "commission" as an ALP fund-raiser during the 1987 federal election. This "fund-raising" included one notorious lunch for corporate heavies, hosted by Brian Burke for prime minister Hawke in Perth, which returned \$1 million. There was also the bizarre business of \$100,000 in cash, which Burke kept in his office safe for "party investments" in stamps.

That has repeated itself as well -

Excerpts from the 1992 royal commission findings: "The commission has found conduct and practices, on the part of certain persons involved in government in the period 1983 to 1989, such as to place our government system at risk.

"Some ministers elevated personal or party advantage over their constitutional obligation to act in the public interest. The decision to lend government support to the rescue of Rothwells [merchant bank] in October 1987 was principally that of Mr Burke as premier. His motives derived in part from his well-established relationship with Mr Connell, and from his desire to preserve [Labor's] standing in the business community from which it had secured much financial support . . .

"The manner in which electoral contributions were obtained could only create the public perception that favour could be bought, that favour would be done. We have observed that the size of donations was quite extraordinary. In his approaches the premier was direct to the point at times of being forceful. He

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nominated the amounts he expected. They were far in excess of amounts previously donated in this state . . . ”

Burke was jailed for two years in June 1994 for having stolen \$17,179 from taxpayers between 1986 and 1988 by rorting his travel expenses. He served seven months before his release on parole. In March 1997 Burke was jailed for three years on multiple counts of having stolen \$122,585 in campaign donations. He served six months before the convictions were quashed, on appeal, by a two to one majority, on the grounds the money was Burke’s to use, as state leader, “as he saw fit”.

Remember now?

Lest we forget this ex-Premier’s crooked past.

I note Hon Kim Chance has said on television that Brian Burke is very toxic. I congratulate Hon Kim Chance for saying that. I was pleased to see in the Corruption and Crime Commission hearings Hon Kim Chance was a virtual saint! That is probably too much! I was pleased. He went before the CCC and was exonerated and I told him on that day I was very pleased to see that.

The state government has been rendered dysfunctional by an unprecedented series of ministerial scandals. Crisis after crisis was building around this government because of the revelations at the Corruption and Crime Commission hearing. What has been revealed amounts to institutionalised corruption of democratic principles and conventions by sections of the WA Labor Party at a breathtaking level of indifference. I have been through the CCC hearings transcripts and I guess I was titillated by what was in there as well. It just goes to show how people get locked into friendships over many years, and somewhere that friendship does not stop - it goes across boundaries where it should not go. Those boundaries that were crossed were cultivated by Brian Burke who, as I said, has put tentacles into one generation and the next and was even planning to put in another 12 young turks. Obviously, they got caught. When one walks around the halls of Parliament, one sees a lot of young men running around for the Labor Party. I take a look and wonder whether it will repeat itself in another 10 years.

The public has taken this to heart, I think. The pity of it is that the public tars all of us with the same brush, and that is a pity, because there are members on my side of the house and, indeed, on the Labor side of the house who are good, decent people. However, when something like this happens, people do not think, “You’re Liberal; you’re Labor.” We are all tarred with the same brush. That is a pity, because we did not do anything to deserve a reputation like that. Many of us do not. I guess I could say at this point that one minister on the Labor side in particular, whom I will not name, has always been very decent to me. I was sitting in the gallery and I saw him apologise on the floor of the house. I thought of all the good things he had done and how he had fallen so far from grace and how it had affected his family. He was in a mess that day. I did not like watching him say what he said. I felt really sick, and I thought, “This is the real face of politics. This is what happens when you cross the line.” I think it is a good lesson to all of us that we should not cross the line. There is friendship, but when that friendship goes too far, we see shame on the floor of the house of Parliament, and I did not like it at all.

I really wonder how many more ministers there will be. Has it stopped now? I certainly hope so. However, we will just have to wait and see. How many Labor backbenchers will be in trouble over what is coming out of the Corruption and Crime Commission? How many can honestly say that they have never had anything to do with Brian Burke or Mr Grill? I do not think that too many on the Labor Party’s side could stand and say, “I’ve never had a conversation with him; I’ve never dealt with him.” The other part is how many senior and mid-level public servants will be shown by the Corruption and Crime Commission to also be involved? We all know what has happened to the public service. There are some very good public servants, but others have been parachuted in. I guess the trouble started with Norm Marlborough. I do not know what seat he had. I know that I should say that Norm Marlborough was the member for -

Hon Kim Chance: Peel.

Hon ROBYN McSWEENEY: - Peel, Tony McRae is the member for Riverton and John Bowler is the member for Murchison-Eyre, but we do not do that in this house. Alan Carpenter sacked those ministers. I thought he took a little while to come round to the idea of sacking some of them. We still do not know whether he asked one female Labor backbencher in the upper house to resign. We keep asking questions, and we do not know.

However, I return to senior public servants. An article in *The West Australian* of 1 March states -

Last year, when Public Sector Standards Commissioner Maxine Murray produced a 10-year review of the Public Sector Management Act which showed the Government was getting around provisions aimed at keeping cronyism in the public service at bay, Mr Carpenter arrogantly dismissed the watchdog’s concerns.

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He really should not have. I will talk about the Department for Community Development. In this case, a union that knows about cronyism is prepared to stick it in a document for the first time in a long time. I have never seen a union go against the government quite as hard as has the Community and Public Sector Union. It states -

With the Department a culture of management that is autocratic, politicised and based on the tactics of fear and intimidation has been allowed by Executive and supported by some Managers.

Never has this been more evident than in the implementation of the changes resulting from the Machinery of Government taskforce - the move away from child protection to community capacity building. There was no avenue to raise concerns over the implementation of the change of direction and no room for workers who held a different view. The Executive Director CDSS provided his vision and staff who questioned this were told that they 'knew where the door was' if they didn't like it. Promotions were not forthcoming unless staff could espouse the new mantra. Individuals concerned that management had dropped the ball on child protection, were cut out of decision making forums, vilified and marginalised, with patronage and cronyism the perceived result. The outcome was many highly skilled and experienced child protection workers who could no longer tolerate the bullying left the department. Workers who stayed and maintained their deep commitment to child protection have done so at the expense of their own professional development and in the face of continued bullying, intimidation and personal criticism.

I believe that this department more than any other showed how it had dropped the ball. People do not need a degree to work in child protection, but it is a desirable criterion. Public servants can just be put into a job for which they have no qualifications. Even for the position of child advocate, a degree qualification was only a desirable criterion. The child advocate is highly qualified; I have checked. However, this cannot be the only department in which that is happening. I will prove that it is still -

Hon Kim Chance: Hon Robyn McSweeney, if you do not mind, because you have experience in this field, do you think personally that degree qualifications are essential in that role?

Hon ROBYN McSWEENEY: I think that people need to have the background and that they need to know -

Hon Kim Chance: I couldn't agree with you more.

Hon ROBYN McSWEENEY: This is where we are getting into trouble. Obviously, a lot of Aboriginal children are neglected, and a lot of white Australian children are also neglected. Because people do not have the background or they have no training in what to look for, or because they do not have an understanding of that, children are being left in situations that they should not have been left in. If people do a degree, they study a bit of Aboriginal history and a bit of child protection. They do a bit of everything. I think it better prepares them for when they are thrown in the deep end. To my way of thinking, if mature women who have degrees were put into that department, the government would be a lot better off than it is now. At the moment, there is cronyism and all the rest of it, and people are being put in over the top of others. The child protection workers on the ground are not being promoted. People in the head office are being paid thousands of dollars, but they are not on the ground and do not know what it is like to work on the ground, and there are all the problems that I have been pointing out for a couple of years. However, I thought I would read out the section about the personal intimidation and criticism so that the government could get an idea of what really is happening in that department and how hard it will be to change it. That article in *The West Australian* of 1 March further states -

The CCC has produced damning evidence against senior public servants, all of whom have strong Labor links. The latest, deputy director of the Department of Industry and Resources Gary Stokes, worked for Mr Grill and . . . David Parker in the heady 1980s before moving into the public service. He had a quiet time in the 1990s and then re-emerged after the election of the Gallop government.

Another senior public servant who was identified at the Smiths Beach inquiry as a Burke associate, Paul Frewer, the acting director-general of John Kobelke's Water Department, is still in his job . . .

He is, is he not?

Hon Kim Chance: I believe so.

Hon ROBYN McSWEENEY: Both Mr Carpenter and Kobelke - I do not know which seat Mr Kobelke has -

The PRESIDENT: Hon Robyn McSweeney should not worry about that. Perhaps she should not refer to the member for Balcatta by his surname only.

Hon ROBYN McSWEENEY: Yes. I did mean to say Mr Kobelke. The article continues -

. . . both Mr Carpenter and his Minister have defended the decision to leave him there in an acting capacity, despite the fact that he didn't make a Maxine Murray shortlist for the position.

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Obviously, a process must be gone through for people to get a position. However, if a person is attached to Grill or Burke, or is in the Labor ranks, he or she can jump over others and stay there. Nobody can kick that person out. What is the point of short-listing the position if Mr Fewer is still there? It does not make any sense. The government must clean up its act.

Similar to Hon Norman Moore, I have a pile of Corruption and Crime Commission evidence about what has been happening in the Labor Party. That evidence does not paint a good picture.

Hon Norman Moore: Were you going to say that there are only three Labor Party members in the chamber?

Hon ROBYN McSWEENEY: Yes, I was. Despite the fact that the Labor Party is dysfunctional and that corruption in its ranks is rife, there are only three backbenchers in the chamber. The Leader of the House is not present to listen to my speech, probably because he is embarrassed. The trouble with Labor Party members is that they have hides like horses. They have the hides of old rubbery horses, not nice stallions. It is not a good look and the people of Western Australia know it.

Hon Norman Moore: The old grey mares!

Hon ROBYN McSWEENEY: Some are old grey nags!

Hon Barry House: They should be sent to the knackery!

Hon ROBYN McSWEENEY: They should indeed. That is a great horse racing analogy. More than one editorial has suggested that the corrupt mob opposite should go to the knackery by holding an election. Indeed, newspaper editorials have had something different to say about the government nearly every second day. The editorial of *The West Australian* on 2 March reads -

Of all the evidence gathered by the CCC, none is as instructive as Julian Grill's detailed explanation of how he and Brian Burke groomed and cultivated politicians to do their bidding.

How far have those tentacles spread? They were around in the 1980s, 1990s and in 2007. Will we see that sort of corruption in the Labor Party in 2020? I will watch with interest.

As a politician, I have called my colleagues a few names in my time. I have probably called them names while speaking on my mobile phone. One would not expect those conversations to appear in print. However, when they do appear in print, they look terrible. I will not go over that issue. The Labor Party must deal with the fallout of the Shelley Archer transcripts and decide whether her actions warrant her resignation from the Labor Party. The public will have a view on this matter. I do not know what the people of Western Australia think about this matter, but if their view is anything like my view, they will conclude that a line has been crossed.

Hon KEN BASTON: Mr President, I draw your attention to the numbers of the house.

[Quorum formed.]

Hon ROBYN McSWEENEY: I was explaining how the Corruption and Crime Commission noted Julian Grill's detailed explanation of how he and Brian Burke groomed and cultivated politicians to do their bidding. Grill and Burke not only groomed politicians; indeed, I have referred to the next generation, the so-called dream team. An article in *The West Australian* from 1 March reads -

Brian Burke promised a parliamentary staff member he could be part of a so-called Dream Team of young Labor hopefuls at the same time he requested sensitive Government documents about the multi-million dollar pearling industry.

There is still a question mark over that issue. I will not explore that issue; that is a job for the CCC. However, it shows how easy it is for somebody like Mr Burke to groom young people so that he can maintain his contacts with the next generation of politicians and public sector workers. What drives that man? He must live, eat, breathe and sleep politics - but not in a good way. As I said, Hon Kim Chance has called him toxic before today. I do not need to name the Minister for Fisheries' chief of staff. I think he has been punished enough, because he no longer works for the Labor Party. The article continues -

... 12 young people chosen for preselection to breathe new life into the Labor Party and take it through the next 15 years.

That is fine; the Labor Party has to consider the next generation. However, by poisoning some of them and crossing the line in the way that he did, Mr Burke has sent a clear message to the next generation about the cut and thrust of politics. He has told them that he will put them in a position; however, somewhere down the track - it is an unwritten rule - they will be required to cross the line and provide him with information. That is what the Labor Party has been doing.

Hon Ken Travers: It is what Brian Burke was attempting to do; you need to get it right.

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Hon ROBYN McSWEENEY: Hon Ken Travers said “attempting”. However, the Minister for Fisheries’ chief of staff lost his career because Burke was pretty successful. I have copies of the transcripts about the pearling legislation and what documents were handed over. We must teach young people that there is honesty and integrity in politics. That was not done. There was no honesty and integrity in Burke’s actions.

Hon Ken Travers: We have to teach young people to write their own speeches, too.

Hon Simon O’Brien interjected.

Hon ROBYN McSWEENEY: Is Hon Ken Travers one of those? Has somebody been -

The PRESIDENT: Order, members! Hon Robyn McSweeney is addressing me. I do not mind interjections; however, what I do not like is when the member on her feet is not able to continue with her speech because of cross-interjections. The members who are interjecting will get the call when they seek it.

Hon ROBYN McSWEENEY: The Labor Party’s credibility has been tarnished greatly. The Labor Party has a real problem in, shall I say, rooting out the tentacles of Burke and Grills.

Hon Ken Travers: I would agree with you, except I would add both major political parties.

Hon ROBYN McSWEENEY: I am not talking about my side of politics. I do not recall as many Liberal Party members appearing before the CCC as there were Labor Party members. The Liberal Party is not in government. The government has sacked four ministers one after the other - two in a disgustingly short time. I am not here to throw stones; what goes around comes around. Members may have noticed that in my speech I have quoted facts. I do not think I have thrown stones.

Hon Ken Travers: You have put a certain spin on things. You have mentioned certain incidents and tried to suggest that it applies to the whole, when it does not.

Hon ROBYN McSWEENEY: No, I did not. The member was not in the chamber. That is what happens when members do not sit in the chamber and listen.

Hon Ken Travers: I was on urgent parliamentary business. When I heard you wanted an audience, I came up to give you that audience.

Hon ROBYN McSWEENEY: Hon Ken Travers should not point his finger at me. I said that there are good people on both sides of Parliament.

The government has a real problem because the tentacles of Grill and Burke have made it dysfunctional. It has made the public service dysfunctional, and I proved it with the Department for Community Development. If we started poking around, I wonder how many officers in other departments owe their positions to Grill and Burke through the favours that they have done instead of the machinery of government working properly. Mr Frewer was a classic example.

I have not slated those opposite; I have laid down the facts. I have been very careful to do that, even with Hon Shelley Archer. I have said that it is up to the Labor Party to decide what to do with her after what has come out of the CCC. It is also up to the CCC and members of the public who elected her to decide what to do with her. It is not up to me to make judgements. I have been very careful not to do that.

Hon Sheila Mills: You made the judgement that everybody on this side was automatically associated with Grill and Burke.

Hon ROBYN McSWEENEY: I said I wonder how many of the Labor backbenchers have had tentacles -
Several members interjected.

The PRESIDENT: Order, members! We have a situation where members are interjecting on each other. Hon Robyn McSweeney does not mind the occasional interjection, providing it does not prevent the flow of her speech. In fact, she seems to enjoy interjections, particularly from Hon Ken Travers. I am not encouraging Hon Ken Travers to interject more, but we cannot have members interjecting on each other.

Hon ROBYN McSWEENEY: The first line of attack is defence, shaking of fingers, body language and jumping forward. I have been careful to say that there are good members on both sides of the house. The second thing I said was I wonder how far the tentacles of Grill and Burke have spread to the backbenchers of the Labor Party. That is a fair enough statement. We can take it from the facts that have emerged that there are probably more people involved.

Hon Ken Travers: How can you say that? Wouldn’t you assume that the CCC -

Hon ROBYN McSWEENEY: I did not say that I assumed anything.

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Hon Ken Travers: You said that you can take it from that evidence that there's more involved, whereas I would have thought the other way of looking at it is you could assume that the CCC would have identified everyone that has done anything improper with Burke and Grill up to now.

Hon ROBYN McSWEENEY: Hon Ken Travers would hope that nothing else comes out for the Labor Party because it has been tarnished a great deal over this affair. We have seen corruption, cronyism, bullying and public servants who are put in place because they owe allegiances to Grill and Burke. We cannot defend the indefensible. Members cannot say that I have made improper remarks in my speech today. Hon Norman Moore worded his motion in such a way that personal attacks would not take place. I will certainly not get into that.

In conclusion, I will say that the Labor government has to clean out its ranks before the public will look upon it with respect once more. It is up to all Labor members to work very hard and to follow the rules and procedures set down in government so that people can have respect for the government once more. I hope that the government gets on with doing the job of governance, which it is elected to do. This process has taken so many months. Everybody in Western Australia would have read what came out of the CCC. Their estimation of the government is rock bottom. Members opposite are in government. People look to the government to govern. I do not believe that that is what it has been doing for the past six months. Ever since Norm Marlborough was stood aside, we have seen what has been happening in the Labor Party and it needs to stop.

HON KIM CHANCE (Agricultural - Leader of the House) [11.44 am]: The motion moved by the Leader of the Opposition made a number of observations about the state of the government. They included, just to recap, that we are seriously divided between our three camps, as he alleged - the union camp, the lay party camp and the State Parliamentary Labor Party. He did not provide a single shred of evidence to support his words. I presume that the serious divisions that he pointed to are in stark contrast to the unity displayed by his own party.

Hon Simon O'Brien: Actually, I think, not by way of hostile interjection, he was referring to the factional differences rather than the organisational differences.

Hon KIM CHANCE: Yes, but he did mention the three components of the party.

Hon Simon O'Brien: I think he pointed out that they were all dysfunctional.

Hon KIM CHANCE: He may have. I took that note down as he said it.

Hon Simon O'Brien: Sorry if I am wrong; I was only trying to help.

Hon KIM CHANCE: Perhaps in support of what the member has said, the Leader of the Opposition also went on to say that we are too busy fighting each other to do anything. Indeed, that was the essence of his speech. He said that there is disunity and conflict between the left and the right of the party and that we are not the best of mates. I hasten to assure him on that basis. Our little caucus - the members of the government side in the Legislative Council - meets every day, as I believe the opposition does, prior to coming into Parliament. I find that group of people, as I do my cabinet colleagues, although I am not able to comment on that, to be the most united team I have ever come across. It is quite united. The issues of factional difference just do not emerge. I am pleased to be able to tell members this because it is not something they would hear every day. Seated behind me is Hon Ed Dermer, the Whip. He and the Deputy Whip are from a faction so far removed from me in the party structure, that on some issues we are almost from different planets. Have members ever seen an element of disunity between Hon Ed Dermer or Hon Matt Benson-Lidholm and me?

Hon Simon O'Brien: What about Hon Shelley Archer and Hon Jon Ford?

Hon KIM CHANCE: I enjoy a very good working relationship with Hon Shelley Archer.

Hon Norman Moore: What about Hon Jon Ford?

Hon KIM CHANCE: I will get to Hon Jon Ford soon. I very much appreciate, as do her constituents, the tremendous work that Hon Shelley Archer is doing in the Kimberley.

Hon Norman Moore: No-one's complaining about that; it's what she thinks of Jon Ford that's important.

Hon KIM CHANCE: I do not think we will go as far as quoting transcripts in this place. Some of those transcripts referred to me in an unflattering light. They were conversations between two men who thought they were speaking in private. They did not say the kinds of things they would say in public. Whatever I might think of those two persons -

Hon Norman Moore: It is what they think that matters, not what they said.

Hon KIM CHANCE: That is possibly true. When we talk about unity and differences of view, we should bear in mind that there have been two mainstream political parties in this country since at least the Second World War, since the formation of the Liberal Party. Those two mainstream political parties represent, as they should, a very broad church of membership. Each party represents blue-collar and white-collar workers, employees and

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employers and a range of people from the unemployed to the very successful. Both parties have a similarity. I am actually very proud of the Australian political structure, containing as it does and dominated as it is by the Labor Party and the Liberal Party. I think that what we have done in establishing two stable politically moderate parties, one to the left of centre and one to the right of centre, both of which have a consistency about their structure and their performance, says a great deal about our country. It says much more than in a comparative democracy in the United States, where sometimes the Democrats are perhaps more right wing than the Republicans and sometimes the Republicans are more progressive than the Democrats and people do not really know where they are except, perhaps, in a foreign policy position. We have a tremendous consistency. The Prime Minister properly articulates what the Liberal Party stands for, and he does that very fairly and honestly, as I believe the more recent leaders of the Labor Party at the federal level do. We have a good process. Both parties represent a very broad form of membership and there will be different points of view contained within the broad structure of both the Liberal Party and Labor Party. There will be personality issues. As human beings, the way we resolve that is to form into clusters or groups. In the Labor Party the groups are more formally structured than in the Liberal Party and perhaps they are identified ideologically rather than by the more personality-based structures in the Liberal Party. Both are reasonable ways to do handle it.

Hon Barbara Scott: How do you make that assumption?

Hon KIM CHANCE: The way in which the Liberal Party factions or groups are structured around individuals is much stronger than in the Labor Party.

Hon Barbara Scott: How do you know that?

Hon KIM CHANCE: The Noel Crichton-Browne group is called the Noel Crichton-Browne group; it is not called the centre right group.

Hon Norman Moore: Do you know how many people are in that group? There are about three and that is on a good day.

Hon KIM CHANCE: It has been an important group within the Liberal Party -

Hon Norman Moore: A long time ago.

Hon KIM CHANCE: - in times gone by. My faction in the Labor Party is the broad left. It is very old and has been around ever since there has been a Labor Party and it has been a dominant faction.

Hon Norman Moore: You can see why it's called the "broad left".

Hon KIM CHANCE: That is an interesting point. It is called "broad left" because as a faction group it has a very broad membership and two key components to it. It is neither unusual nor is it in any sense bizarre that groups form around particular points of view, personalities and ideology.

Hon Simon O'Brien: When those groups cause dysfunction within government and trash our reputation as parliamentarians, we are entitled to get upset. We don't agree generally with what you are saying. I do not like it when it is an embarrassment caused by the government of the day that tars all parliamentarians with the sort of labels we've been targeted with through the actions of some of your ministers.

Hon KIM CHANCE: I was not talking about ministers, but I will shortly. I was talking about the structural groups, which is the issue the Leader of the Opposition raised. There is not a particular issue about the existence of the structural groups. Individuals in both parties probably regret the existence of those groups when things go wrong. We have preselection battles and the Liberal Party had difficulties of its own in the last government. It does not cause any level of dysfunction in government.

I have a fairly long history in the Australian Labor Party. I joined in 1971 and my membership has been continuous since. The structural groups within the Labor Party play a much less divisive role than they ever have. In the history of the Labor Party there has been one serious split, and that occurred in 1951 to 1955 when most of the members in caucus were not born. Bob Kucera and I are the oldest members of caucus and we had just started primary school when those issues occurred. It is a bit rich to go back into Labor's history and say that the events of 50 years ago are causing problems in the Labor Party today.

Hon Simon O'Brien: What about the events of the late 1980s and early 1990s? They are the ones you need to remember.

Hon KIM CHANCE: Those events were not created by the party's structure; they were events created by individuals within the party.

Hon Simon O'Brien: Who pulls the strings now? The same bloke who was doing it then.

Hon Paul Llewellyn; President; Hon George Cash; Hon Robyn McSweeney; Hon Ken Baston; Hon Kim Chance

Hon KIM CHANCE: It would be stretching it a little to say that one factional group within the party caused the issues that we now refer to as WA Inc.

Hon Simon O'Brien: You are right. There is a joint responsibility and culpability.

Hon KIM CHANCE: I agree with the member. There is a joint responsibility and culpability and we do not walk away from that. Is this an issue that is somehow unique to the Labor Party? The Leader of the Opposition's motion is a bit funny, and I think he saw the humour in it as well.

Hon Norman Moore: There is nothing funny about this at all.

Hon KIM CHANCE: It is massive hypocrisy to say that one political group in this state is dysfunctional because it has internal conflict. The sound of shattering glass from people throwing stones from within glasshouses is deafening. We are not a united party, as opposed to the opposition, which votes one way in the Legislative Assembly and another way in the Legislative Council on the same bill. We are not the wonderfully united party in which the deputy leader knifes his leader in the back after saying he would vote for him.

Hon Norman Moore: We are not the government. I acknowledged yesterday that we have our problems, but, fortunately, we are not the government in that context.

Hon KIM CHANCE: I must have missed that. People in a large party will have different views and opinions, and they will express that, and they will have personality clashes, and they will express that. It is healthy that we have it out in the open.

Now the question arises: has that degree of conflict, the way it is expressed within the party that forms government in Western Australia today, affected the capacity of the government to do its job? That is the theme that I promise members opposite government members will be developing. I will develop one small part of it. Other members will take that theme through. It is a fair and reasonable question for an opposition to put to government: "Are you doing your job and what are the factors you believe are causing you not to do your job effectively?"

The other issue that was raised by the Leader of the Opposition's motion is that we are manipulated by outside influences. I am prepared to cop that in relation to some individuals - ministers and former ministers - because it has been proved. The evidence is out there that leads us to that conclusion. As I said, I will cop that. When those facts came out into the open, how did the Premier, in particular, respond?

Hon Robyn McSweeney: He drags his feet sometimes.

Hon KIM CHANCE: Making that allegation is going a bit far. When it was established that some of our ministers had done things that were apparently wrong - I use the word "apparently" because we have to wait until the Corruption and Crime Commission has given its view - the Premier acted with decisiveness. On the balance of the evidence that was before him, he acted.

Hon Norman Moore: He sacked them.

Hon Simon O'Brien: He cut short his visit to India to come back to act decisively, thereby not doing any good for the state's interests. He cancelled a visit to Malaysia at the last hour because of that.

Hon KIM CHANCE: Would the member rather he had stayed there and had the state's reputation damaged by the allegations that were hanging around with no action being taken? The lesser of the two difficult choices was to cut short his trip and come back and deal with the issues. That is what he did and, ultimately, that is what the people of Western Australian will make their judgement on. They will not make their judgement on whether things have gone wrong, because things always will go wrong.

Hon Simon O'Brien: Your Premier caused the problems by appointing the wrong people to do the wrong jobs.

Hon KIM CHANCE: That is an interesting question.

Hon Simon O'Brien: That was his fault, and all this weasel language will not get him out of it.

Hon KIM CHANCE: Hang on; there was no weasel language. He was presented with a problem, and he dealt with it. How much better would it have been for the Richard Court government if it had dealt with Doug Shave when the same issues occurred in his case?

Hon Simon O'Brien: A lot.

Hon KIM CHANCE: How much better would it have been for the former Richard Court government when allegations were raised in this chamber about the allocation of a water licence worth some \$900 000 had those matters been dealt with?

Hon Norman Moore: Who are you throwing a bit of mud at now?

Hon Paul Llewellyn; President; Hon George Cash; Hon Robyn McSweeney; Hon Ken Baston; Hon Kim Chance

Hon KIM CHANCE: It is all on the estimates record from, I think, 1996.

Hon Norman Moore: Doug Shave has not done anything vaguely comparable to what your four ministers did.

Hon KIM CHANCE: Let us not go into that. It cost the coalition government!

Hon Norman Moore: Hang on a minute; a royal commission was held and absolutely nothing was found. You know exactly what I'm saying. Apart from a judicial inquiry -

Hon KIM CHANCE: Apart from losing government, it had no effect at all - no!

Hon Simon O'Brien: We were damaged by the perception created by McGinty's blooming porkies.

Hon KIM CHANCE: The point I want to make is that we are hearing this self-serving nonsense from the opposition which, in government, has never faced the scrutiny of the Corruption and Crime Commission or anything remotely like it.

Hon Norman Moore: Haven't you heard of the ACC?

Hon KIM CHANCE: No. Nobody has ever heard of the ACC; that was the problem. It was the CCC -

Hon Norman Moore: They have.

Hon KIM CHANCE: Oh, the ACC - come on! It was a paper tiger and the Leader of the Opposition knows it was a paper tiger. Who converted the ACC to the CCC and actually gave this organisation teeth to deal with corruption in government? It was the Gallop government. The Gallop Labor government put that in place.

Hon Norman Moore: It was Mr McGinty doing over his right-wing colleagues.

Hon KIM CHANCE: Mr McGinty was the Attorney General. He is one member of cabinet, and he was a strong supporter of the CCC.

Hon Norman Moore: He happens to know whose phones are being tapped.

Hon KIM CHANCE: So does the federal Attorney General, post facto.

Hon Norman Moore: Interesting, isn't it?

Hon KIM CHANCE: Not beforehand; post facto means afterwards.

Hon Norman Moore: I know what it means, Mr Leader of the House. I wonder whether Kevin Reynolds' allegation that he tipped off his mates in the left not to talk on the telephone would have any substance.

Hon KIM CHANCE: Of course we were tipped off. I am a left minister. Of course I was tipped off. Of course I was warned that telephones might be tapped. Of course I was warned not to have dealings with Brian Burke or Julian Grill.

Hon Norman Moore: Who warned you about your telephone being tapped?

Hon KIM CHANCE: I was warned by Geoff Gallop in 2001; the same as every other minister was warned by Geoff Gallop in 2001.

Hon Norman Moore: There was no CCC in those days, Mr Leader - come on.

Hon KIM CHANCE: Geoff Gallop warned us in 2001 not to have dealings with those people on the basis that they could be investigated. Every cabinet minister knew that.

Hon Norman Moore: The current Premier changed the rules. "Welcome home boys", he said.

Hon KIM CHANCE: He did not change the rules in respect of his recommendation that we did not deal with Brian Burke or Julian Grill. He just lifted the ban. I actually think that that was a good thing to do, even in hindsight. The Premier may not agree with me but I think it was a good thing to lift the ban.

Hon Barry House: Has Mr McGinty specifically warned you in the past 12 months?

Hon KIM CHANCE: No; Mr McGinty has never warned me. The Premier, Geoff Gallop, warned me, as he did every other cabinet minister.

Hon Norman Moore: That your phones could be tapped - by whom?

Hon KIM CHANCE: Could be.

Hon Norman Moore: Did he say by whom?

Hon KIM CHANCE: No.

Hon Norman Moore: I think you are having us on, Mr Leader.

Hon Paul Llewellyn; President; Hon George Cash; Hon Robyn McSweeney; Hon Ken Baston; Hon Kim Chance

Hon KIM CHANCE: The Leader of the Opposition can think whatever he likes; I do not care. I am only telling him the facts.

Hon Norman Moore: I think you might have let the cat out of the bag and now you're trying to retrieve your remarks.

Hon KIM CHANCE: I am saying what the facts are.

Hon Norman Moore: The facts are that you said that you had been told that your phone could be tapped.

Hon KIM CHANCE: Yes. I said I was told that that would be possible.

Hon Norman Moore: I think you were probably told by Mr McGinty in recent times.

Hon KIM CHANCE: No; I told the Leader of the Opposition who told me: Geoff Gallop told me that in 2001 and 2003, as he told every other cabinet minister. It was not even a secret.

Hon Norman Moore: Did he say who was or who might be doing it?

Hon KIM CHANCE: No. It could have been anyone. It could have been the Australian Federal Police, the state police, the ACC or the CCC. It did not matter who it might have been. That was irrelevant. A number of people have power to tap telephones - even ASIO.

Hon Norman Moore: Those who had their phones tapped and their conversations recorded simply took no notice of the Premier.

Hon KIM CHANCE: They did so in the knowledge that that was possible, yes.

Hon Norman Moore: Perhaps only certain members were told.

Hon KIM CHANCE: No; I can tell members that all cabinet ministers were told of that risk.

Hon Robyn McSweeney: What about your backbenchers?

Hon KIM CHANCE: It would not apply to backbenchers.

Hon Robyn McSweeney: Why didn't they have the same information that their phones could've been tapped? Are you saying that no-one from cabinet told the backbenchers?

Hon KIM CHANCE: The issues concerning Mr Burke and Mr Grill related to ministers, not to backbenchers.

Hon Norman Moore: That is the case so far.

Hon KIM CHANCE: Members will remember that there was no ban on backbenchers dealing with Mr Burke or Mr Grill.

Hon Norman Moore: I am not suggesting there was; I'm suggesting that problems in the future may well -

Hon KIM CHANCE: I am surprised any members opposite would find that of interest. It was published in *The West Australian*, for God's sake!

Hon Norman Moore: I am telling you what Mr Reynolds said. He said that you lefties all knew about it and you didn't tell anyone else. You didn't deny that.

Hon Jon Ford: He was wrong.

Hon Norman Moore: That is what the lefties would say, wouldn't they, Mr Ford?

Hon KIM CHANCE: I will put on the record now -

Several members interjected.

The PRESIDENT: Order! Noting the time, we will now move to the next item of business.

Debate interrupted, pursuant to standing orders.