



PARLIAMENT OF WESTERN AUSTRALIA

**STANDING COMMITTEE ON
CONSTITUTIONAL AFFAIRS AND
STATUTES REVISION**

INTERIM REPORT

ON ITS INQUIRY INTO

**LINKS BETWEEN GOVERNMENT AGENCIES
AND THE FAILED WESTERN WOMEN GROUP**

PRESENTED BY -

THE HON R G PIKE, MLC

10th September 1992

MEMBERS

Hon R G Pike MLC (Chairman)

Hon John Caldwell MLC

Hon M W Nevill MLC (replaced by the Hon John Halden MLC on the 22/8/92)

STAFF

Mr Peter Atkins, Legal Adviser

Ms Rebecca Maslen, Advisory/Research Officer

Mr Mark Hilditch, Clerk to the Committee

STANDING COMMITTEE ON CONSTITUTIONAL AFFAIRS AND STATUTES REVISION

INTERIM REPORT ON LINKS BETWEEN GOVERNMENT AGENCIES AND THE FAILED WESTERN WOMEN GROUP.

TERMS OF REFERENCE

The Terms of Reference of the Committee are as follows:

- 1. The Legislative Council do appoint a committee to inquire into the links between government agencies and the failed Western Women's Group, in particular to determine whether the state bears any legal responsibility for persons relying on the investment advice of that Group to their loss.***
- 2. The Parliament of Western Australia consider legislation that may be necessary to prevent a recurrence of the events which led to the loss by investors who relied on the Western Women Group or at least to ensure that the problems associated with such an operation are detected at an earlier stage.***

CURRENT POSITION OF THE COMMITTEE

The Committee is in the process of evaluating the voluminous quantity of evidence to date. This evidence comprises the following:

(i) Witnesses

Evidence from seventeen witnesses (see appendix A), including;

- investors in the Western Women Group
- past employees of the Western Women Group
- past employees of the Women's Information and Referral Exchange (WIRE)
- representatives from the Women's Advisory Council (WAC)
- representatives from the South West Development Authority (SWDA), and
- representatives from the Office of Women's Interests (OWI)

(ii) Written Submissions

Thirty-eight written submissions were received from investors in the Western Women Group, in response to the Committee's first advertisement requesting comments or evidence in relation to the Committee's *terms of reference*. The Committee received sixty responses to a further advertisement calling for investors who had allegedly been introduced to a Western Women company by a government agency, out of those sixty, eleven had previously responded.

(iii) Subpoenaed Documents

Several thousand documents have been subpoenaed from Women's Information and Referral Exchange (WIRE), South West Development Authority (SWDA), Great Southern Development Authority (GSDA), Office of Women's Interest (OWI), Women's Advisory Council (WAC), Public Service Commission and the R & I Bank.

(iv) Parliamentary Commissioner for Administrative Investigations

By resolution of the Committee, information which is protected by *Parliamentary Privilege* has been supplied to the Ombudsman as part of his investigation, as set out by the Legislative Assembly. The Ombudsman advised the Committee accordingly on the documents he wished to quote from in his report (see appendix B).

(v) Legal Aid Commission

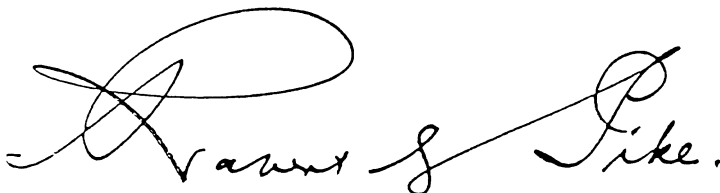
The Legal Aid Commission which is representing investors from the Western Women Group of companies, requested access to the Committee's subpoenaed documents in an attempt to help provide an information base or source from which their investigations could begin. By resolution of the committee, the Legal Aid Commission was authorised to have access to the Committee's documents.

ANTICIPATED PROGRESS OF COMMITTEE

The two most recent witnesses, Ms Janet Payton (formerly of SWDA and OWI) and Ms Lyn Amore (formerly of WAC), completed their evidence on September 2, 1992. Once the record of the evidence of these two witnesses has been corrected and reviewed, the Committee will be in a position to call further witnesses.

After hearing the evidence of these witnesses, the Committee will consider compiling a further interim report on the alleged links between government agencies and the Western Women Group.

The Committee will also be investigating the interaction between the R&I Bank and Western Women Group. It will examine in particular the conduct of the R&I Bank in relation to accounts held by entities in the Western Women Group and the personal account/s of Robin Greenburg. Subpoenas for this information have already been issued.

A handwritten signature in black ink, appearing to read "Robert G. Pike". The signature is fluid and cursive, with a large initial 'R' and 'P'.

HON R G PIKE MLC
CHAIRMAN OF THE COMMITTEE

APPENDIX "A"

LIST OF WITNESSES

NAME and ADDRESS	FORMER OFFICE	DATE APPEARED
(1) STAPLETON, MS THELMA DAPHNE	(Investor)	November 27, 1991
(2) MacPHERSON, MS JOANNA HALL	(Investor)	November 27, 1991
(3) GIBBS, MS ELIZABETH CATHERINE	(Investor)	December 12, 1991
(4) SHEGOG, MS VICKI JOY	(Investor)	December 12, 1991
(5) JONES, MS CHRISTINE ELIZABETH	Western Women	January 8, 1992
(6) WILLIAMSON, MRS PAMELA LYLE	Western Women	January 8, 1992
(7) PALMER, MRS ANN	Western Women	April 9, 1992
(8) COX, MRS EUNICE BARBARA	(Investor)	April 9, 1992
(9) AVACONE, MS MARIA THERESA	(Investor)	April 9, 1992
(10) MacDOUGALL, MS MABEL CONSTANCE	WIRE	May 13, 1992
(11) JAMES(nee WORT), MS MARGARET ANNE	Womens Interests Branch, OWI	May 27, 1992 June 3, 1992
(12) GILMOUR, MRS GAIL HETTIE	WIRE	June 3, 1992 June 16, 1992
(13) MARSDEN, MS VALMA RUBY	WIRE	June 16, 1992 July 8, 1992
(14) McGRATH, MS LYNNLEY	WIRE WAC	June 24, 1992
(15) BYRSKI, MS ELIZABETH ANN	WAC	June 24, 1992
(16) PAYTON, MS JANET	OWI	September 2, 1992
(17) AMOORE, MS LYNEVE JUNE	WAC	September 2, 1992



PARLIAMENTARY COMMISSIONER FOR
ADMINISTRATIVE INVESTIGATIONS
WESTERN AUSTRALIA

APPENDIX "B"

Our Ref: PC317:RE:GM

Your Ref:

Enquires:

Date: 25 August 1992

The Hon R G Pike MLC
Chairman of the
Standing Committee on Constitutional
Affairs and Statutes Revision
Parliament House
Harvest Terrace
PERTH WA 6000

Dear Mr Pike

re: Reference from the Legislative Assembly on the Public
Service Commission/"W.I.R.E." matter

I refer to my letter of 13 April and our subsequent telephone
conversation on 14 May.

In my findings I propose to quote from the following
documents, copies of which were obtained from your Committee -

- File 187 - "WIRE, WIRE Day Book 16-12-1987 - 8-9-88". Entry for 5 September 1988.
- File 190 - WIRE, "WIRE Day Book 9-9-1986 - 7-9-1989". Entries for 7 October 1988 and 15 October 1988.
- File 272 - WIRE, "WOW (What's on for Women) 1986". Editions of January, May and June 1986.
- File 358 - WIRE, "Financial Counsellor Bookings File 1987". Entries for 14 May, 21 May and 4 June.
- File 362 - WIRE, "Lawyer Booking File 1986". Entries for 2 October and 6 November.

A suitable acknowledgment to your Committee will be included.

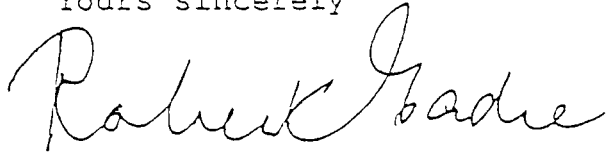
Please address correspondence to: "The State Ombudsman"
G.P.O. Box X2204, Perth 6001

(18th Floor, St. Martins Tower, 44 St. George's Terrace, PERTH WA 6000)
Telephone: (09) 325 5000
Fax: National (09) 221 4381 International 61-9-221 4381

-2-

I trust that the above is acceptable to you and I thank you and the Committee Clerk for your co-operation during my investigation.

Yours sincerely

A handwritten signature in cursive script that reads "Robert Eadie". The letters are fluid and connected, with a prominent initial 'R'.

R EADIE
Parliamentary Commissioner for
Administrative Investigations