

Thursday, 29 November 2007

Hon LJILJANNA RAVLICH: I rise in support of the motion before us to delete all words after "That" and insert the amendment moved by the Leader of the House. In doing so I state that this is a very difficult matter. I also have to say that at the heart of the matter we are dealing with and have before us today is the integrity of this place. This is about the integrity of the workings of this place. The report of the Select Committee of Privilege on a Matter Arising in the Standing Committee on Estimates and Financial Operations is a very interesting read.

I say at the outset that this matter centres on one committee of the house looking into the workings of another committee of the house. As it has been open for one committee to find fault with another, it is open in the future for yet another committee to find fault with the committee finding fault in this instance, and so on ad infinitum. Why? Because obviously people will have differing views about evidence presented before them and events that may have occurred and so on. I also note that no matter how objective they are in their deliberations, committees are formed on partisan lines and they reflect the partisan composition of the house. They are therefore not equivalent to the courts and the legal system, from which partisan bias is prohibited. We are dealing with a unique situation.

(7) In supporting the amendment I wish to recapture some of the key points in the chronology of events of the select committee and what it uncovered. The origin of this whole matter is found in 2005 in the dispute between Cazaly Resources Ltd together with Echelon Resources Ltd on one side and Rio Tinto on the other side. Shovelanna was an iron ore deposit near Newman that was originally pegged in the 1970s. Rio Tinto's documentation for the renewal of its lease somehow had not arrived in the Mining Warden's office by the prescribed date, which was 28 August 2005, and therefore Cazaly Resources successfully applied for a lease over what was technically vacant land (under the WA Mining Act. The minister at the time, John Bowler, had to rule on the matter. He ruled in favour of Rio Tinto's application to have Cazaly's lease struck out under the Mining Act. Following that, I understand that the ruling was tested in the Supreme Court, which found in the government's favour. Therefore, Minister Bowler's decision was upheld. It was that decision that Cazaly was seeking to overturn. I suspect that what happened from there was that Cazaly may well have been advised of the services of Mr Burke and Mr Grill in this matter. They worked with Mr Crichton-Browne in order to effect a shift, if you like, from the position it was in.

(12) It is quite clear from everything presented in the report that the level of fee that Mr Grill and Mr Burke were due to make was very substantial. A figure of \$2 million was mentioned in the report. I have no issue with people making money. In some sense the market determines how much money a person does make from success fees and a whole range of considerations.

(12) However, the heart of this is how people make money. It is about their integrity or, sometimes, their lack of integrity. Therefore, it seems apparent to me that some of the \$2 million was based on share options. There were some share options. However, it is not clear from the report how much was going to be a success fee as opposed to shares options. However, at the heart of all this was the plan that was devised about how the share price could be influenced by using the Standing Committee on Estimates and Financial Operations in bringing pressure to bear so that there could be some change in the outcomes.

(28) The select committee's inquiries reveal that the financial interests of other parties were involved in these matters, but the key figures at the centre of this whole issue were Mr Burke, Mr Grill and Mr Crichton-Browne. It is most important for the house to note that as a result of the select committee's inquiries, two members of this house were found by the select committee to have committed breaches of privilege and contempts, but there is no suggestion that they were in any way going to gain, financially or otherwise. (32) They were, in my view, manipulated and used by Mr Burke, Mr Grill and Mr Crichton-Browne. It is made clear throughout the report that there had been consistent manipulation. It is quite clear that all three, Mr Burke, Mr Grill and Mr Crichton-Browne, did not reveal to those two members of this house the extent to which they would profit from this matter.

(40) As I was coming into work the other day, I heard Hon Anthony Fels speaking on the radio. He made the point that he thought it was okay to accept some terms of reference, because Mr Crichton-Browne had told him that those terms of reference were in fact drafted by the parliamentary inspector. That is certainly what I heard on the radio, and that is a separate issue. However, I am sure that nobody had told Hon Anthony Fels or Hon Shelley Archer how much was to be gained financially. Rather, the tactic that was used by Mr Burke, Mr Grill and Mr Crichton-Browne with Hon Anthony Fels and Hon Shelley Archer was that this was all about presenting the interests of the little guy as opposed to the interests of the big guy; in other words, the big multinational company Rio Tinto.

(43) I refer to page 444 of the select committee report and to a telephone call on 15 August 2006. Mr Burke called Ms Archer and said -

Shelley, uhm you know that committee that was set up in the upper house that you got on, do you remember, what was that called?

Hon Shelley Archer said -

The Financial and Estimates Committee.

Mr Brian Burke advised -

Uhm, I'm looking for a committee or a vehicle that can look at one particular aspect of the resources industry in the state, uhm, you know how these big companies get in and they tie up these areas of land for twenty or thirty years and . . . no one can explore them.

(44) The theme for Mr Burke, Mr Gill and Mr Crichton-Browne was that multinational resource companies were acting against the interests of small local companies, and therefore they were slowing down the development of Western Australia. In manipulating the two members into establishing an inquiry and terms of reference, Mr Burke said in a telephone conversation on 6 September 2006, according to the report -

"Essentially what it is, is this, it's an enquiry into, under the terms of the Financial Administration of the State, all of the areas that the big majors have got tied up and sterilized on which they haven't worked say for twenty thirty years. . . . And there's just a lot of smaller miners who come to me and Julian, no one in particular who say well look while this is tied up no one gets any benefit from it, . . . and year after year they apply for exemptions from the work commitments."

The CHAIRMAN: I give the call to the Minister for Local Government.

Hon LJILJANNA RAVLICH: (47) It is clear that Mr Burke, Mr Grill and Mr Crichton-Browne presented the need for an iron ore inquiry as being good public policy and good politics - in the best interests of the state. They did not reveal their objectives; they did not reveal personal gain or promise any member any personal gain. It is also clear from the report that in fact they were quite contemptuous of the abilities of the two members concerned. They drew them into their manipulations and abused the trust that those members placed in them by presenting themselves as their mentors. I believe that they used those members.

(49) They sought also to draw in other members by involving Mr Chapple and exploiting that link. Through Mr Crichton-Browne's connections, there was a concept of drawing in a broader range of members. Mr Burke sent an email to Mr Edel on 13 September 2006, and cc'd a range of other people, with Hon Shelley Archer's emailed advice of 13 September 2006, although he does not specifically name her as the source of the advice, on amending the draft terms of reference to fit within the committee's terms of reference. He suggested that Noel Crichton-Browne should approach Hon George Cash, MLC, and Hon Norman Moore, MLC, to ensure that the Liberal Party members on the committee supported an iron ore inquiry. I am not alleging that Hon George Cash and Hon Norman Moore did anything wrong. Indeed, there is no evidence of that. The bottom line is that I am just making the point that other people were being manipulated. The three people concerned - that is, Mr Brian Burke, Mr Julian Grill and Mr Crichton-Browne - certainly tried to bring in other people so that they could effect the outcome. (52) In a file note of 10 October 2006 from a meeting at Phillips Fox, there is evidence of a conversation with Noel Crichton-Browne about why the Standing Committee on Public Administration was not chosen for the proposed iron ore inquiry and discussion of the draft terms of reference and historical aspects of the policy. There was also a reference to Hon Norman Moore and that Noel Crichton-Browne was to phone him.

Hon Norman Moore: Let me assure you he didn't. You're just chucking a bit of mud around in the hope that some will stick.

Hon LJILJANNA RAVLICH: I am not trying to chuck any mud; I am trying to be

Hon Norman Moore: Would you like to read the bit about Mr Travers and the bit about Giz Watson and the bit about -

Hon LJILJANNA RAVLICH: (55) There are references to many people in this report. At the end of the day, there is no doubt that a part of the way in which Mr Burke, Mr Grill and Mr Crichton-Browne operated was to try to get as many people as they could into their web. The simple fact is that the two members of this place who are the subject of the amendment proposed have compounded their own sets of circumstances, because they have been found by the select committee to have committed breaches of privilege and contempts of a serious nature.

(58) In support of this amendment, I am of the view that the influence of Mr Burke, Mr Grill and Mr Crichton-Browne should cease once and for all. It will protect public life in the state from exploitation for private gain by those unscrupulous enough to use other people while presenting their own position as being that of serving the public good. I am also of the view that the Premier is acting in the best interests of Western Australia in wanting to get rid of the influence of Mr Burke, Mr Grill and Mr Crichton-Browne. The truth is that Mr Burke, Mr Grill and Mr Crichton-Browne have acted in financial self-interest. The truth is that they have scant regard about who they hurt in the process of achieving their desired outcomes. The truth is that many have fallen because of their association with Mr Burke

and Mr Grill. The truth is that good people do not use, exploit and deceive others intentionally in pursuit of their own financial interests. They do not manipulate long standing institutions like the parliament; they do not corrupt the process of democratic decision making.