



Joint Standing Committee on the Corruption and Crime Commission

Annual Report 2012-13

**Report No. 6
October 2013**

Parliament of Western Australia

38th Parliament

Committee Members

| | |
|-----------------|--|
| Chairman | Hon. Nick Goiran, BCom, LLB, MLC Member for the South Metropolitan Region |
| Deputy Chairman | Mr John Hyde, BA, DipEd, JP, MLA Member for Perth |
| Members | Hon. Matt Benson-Lidholm, BA, DipEd, MLC Member for Agricultural Region |
| | Mr Frank Alban, MLA Member for Swan Hills |

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| Research Officer | Mr Michael Burton, BEc, BA (Hons) |

39th Parliament

Committee Members

| | |
|-----------------|---|
| Chairman | Hon. Nick Goiran, BCom, LLB, MLC Member for the South Metropolitan Region |
| Deputy Chairman | Mr Paul Papalia, CSC, MLA Member for Warnbro |
| Members | Hon. Ms Adele Farina, BA, LLB, MLC Member for South West Region |
| | Mr Sean L'Estrange, BEd, DipT, MEd, GradDipResourceMan, GradDipMan, psc(j), MLA Member for Churchlands |

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Joint Standing Committee on the Corruption and Crime Commission. Report 6)

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

Annual Report 2012-13

Report No. 6

Hon Nick Goiran, MLC and Mr Sean L'Estrange, MLA

Laid on the Table of the Legislative Assembly and the Legislative Council
on 17 October 2013

Chairman's Foreword

The Joint Standing Committee on the Corruption and Crime Commission is different to most other parliamentary committees in that it was established in 2003 by legislation. As such, many of the tasks and issues that it addresses in the last year of a parliamentary session carry over to the new parliament, even though the committee membership may change following an election. This has been the case in the 39th Parliament.

The Committee has spent the initial months of its work ensuring that tasks left over from the previous parliament are successfully concluded. As an example, the first two reports of the Committee in this Parliament contained the findings and recommendations of reports in the previous one that had not been responded to by the Government at the time of the proroguing of Parliament for the 2013 State election. This has ensured that the extensive evidence gathered by the Committee in 2012 to prepare the reports *Proceeds of crime and unexplained wealth: A role for the Corruption and Crime Commission?* and *How the Corruption and Crime Commission handles allegations and notifications of police misconduct* were addressed by the re-elected Government.

Another example of the commitment of the Joint Standing Committee to ensuring that matters are completed was its resolution in the 38th Parliament to refer the issue of the timeliness of CCC investigations to the Parliamentary Inspector of the CCC (PICCC), Hon Michael Murray QC, for inquiry. The Committee was surprised to be told during a hearing with the CCC Commissioner, Mr Roger Macknay QC, in November 2012 that the CCC did not have guidelines for how long investigations should take into a complaint about misconduct. While the PICCC's report was tabled after the end of this reporting period, his inquiry into this matter had already led Commissioner Macknay to undertake four major changes to the CCC's procedures.

The principal role of the Committee, as laid out by Standing Order 289 of the Legislative Assembly, is to "monitor and report to Parliament on the exercise of the functions of the Corruption and Crime Commission and the Parliamentary Inspector of the Corruption and Crime Commission."¹ Each year it has been the practice of the Committee to convene annual public 'review hearings' attended by the CCC's Commissioner and Executive Staff, and, separately, by the PICC and his Assistant. This practise has continued in this reporting period.

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

A key focus of the Committee during the year leading to the end of the 38th Parliamentary session was to continue its investigations into the implications of the Government's proposed reform agenda which would confer on the CCC an investigative organised crime function.

The Committee's strong view, as expressed in multiple reports during the 38th Parliament, including Report 28 *Unexplained wealth and proceeds of crime: A role for the Corruption and Crime Commission?*, was that amendments that might see CCC investigators working in concert with WA Police officers in the fight against organised crime would compromise the authentic independence of the CCC's priority task of police oversight. The Committee's belief was that if the CCC is to be directly engaged in the fight against organised crime, its activity should be confined to specific crime-fighting strategies that are currently not satisfactorily pursued in Western Australia, such as the investigation of unexplained wealth under the provisions of the *Criminal Property Confiscation Act 2000*.²

The Committee's view was well supported by then-Parliamentary Inspector, Hon Chris Steytler QC, who said "the Commission's functions in respect of organised crime should be distanced, as far as possible, from areas in which it will work closely with police officers undertaking investigations of that kind." His views were reported to the 38th Parliament in the Committee's Report 29, *Guarding the guardians*, tabled in August 2012.³

As Committee Chairman, I would like to take this opportunity to thank all of the people who appeared before the Committee over the past twelve months as witnesses, as well as those who made themselves and their facilities available for Committee briefings. In particular I would like to thank the CCC Commissioner and the Parliamentary Inspector and their staff for assisting the Committee to effectively carry out its oversight role.

I would also like to thank my fellow Committee Members, whose support and professionalism I very much appreciated. Mr John Hyde, Hon Matt Benson-Lidholm and Mr Frank Alban MLA were active members of the Committee in the 38th Parliament. Mr Hyde was the inaugural Chair of GOPAC Australia, which was

2 Parliament of Western Australia, Joint Standing Committees on the Corruption and Crime Commission, *Unexplained wealth and proceeds of crime: A role for the Corruption and Crime Commission?*, June 2012. Available at: [parliament.wa.gov.au/Parliament/commit.nsf/\(Report+Lookup+by+Com+ID\)/B04561CA92A7237D48257A2B0009F651/\\$file/67535093.pdf](http://parliament.wa.gov.au/Parliament/commit.nsf/(Report+Lookup+by+Com+ID)/B04561CA92A7237D48257A2B0009F651/$file/67535093.pdf), p49. Accessed on 13 September 2013.

3 Parliament of Western Australia, Joint Standing Committees on the Corruption and Crime Commission, *Guarding the guardians*, August 2012. Available at: [parliament.wa.gov.au/Parliament/commit.nsf/\(Report+Lookup+by+Com+ID\)/D08C74B27D7F0E0548257A5C0005C515/\\$file/86513332.pdf](http://parliament.wa.gov.au/Parliament/commit.nsf/(Report+Lookup+by+Com+ID)/D08C74B27D7F0E0548257A5C0005C515/$file/86513332.pdf), p9. Accessed on 13 September 2013.

established in August 2012.⁴ The Global Organisation of Parliamentarians Against Corruption (GOPAC) is a cross-party organisation of politicians working to make their societies less vulnerable to corruption. The Committee plans to contribute to the future work of GOPAC in the Indian-Pacific region, especially by supporting some of the smaller parliaments with information gathered from the experience of the operations of the CCC and the Joint Standing Committee here in Western Australia.

I have been joined in the 39th Parliament by three new members of the Committee who are enthusiastically involved in its work, the Deputy Chairman, Mr Paul Papalia CSC MLA, the Member for Churchlands, Mr Sean L'Estrange MLA, and the Member for the South West, Hon Adele Farina MLC. As was the case in the last Parliament, the Committee members are ably supported by the Committee's Secretariat consisting of a research officer and principal research officer. I thank the four staff who filled these roles in the two Parliaments, and whose support and professionalism is very much appreciated.

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

HON NICK GOIRAN, MLC
CHAIRMAN

4 www.gopacnetwork.org/Docs/NewsReleases/NR_AustraliaWorkshop_Aug3012_EN.pdf

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Chapter 1

Committee activities

The Committee's activities at a glance

During the course of the reporting period for the 2012-13 financial year, the Committee:

- met for **deliberative meetings** on **20 occasions**;
- made **93 formal resolutions**;
- held **eight public hearings** attended by **18 witnesses**;
- held **a closed hearing** attended by **two witnesses**;
- met for **five briefings** at which **seven people** provided information;
- undertook investigative travel to **Melbourne** and **Sydney** and met with representatives of the **Office of Police Integrity Victoria**, the **New South Wales Police Force**, and the **New South Wales Ombudsman**; and
- tabled **seven reports in both Houses of Parliament**.

Public hearings

Pursuant to Legislative Assembly Standing Order 264, the Committee has power to send for persons, papers and records. During the period 1 July 2012 – 14 December 2012 in the 38th Parliament the Committee conducted eight public hearings, taking evidence from 18 witnesses to assist with its investigations. There were no public hearings held in the period to 30 June 2013 of the 39th Parliament.

Table 1: *Public hearings of the Committee in the 38th Parliament: 1 July 2012 – 14 December 2012*

| Date | Name | Role | Organisation |
|-------------------|--------------------------|---------------------------------|---------------------------------|
| 15 August 2012 | Mr Roger Macknay QC | Commissioner | Corruption and Crime Commission |
| | Mr Mike Silverstone | Executive Director | |
| | Mr Roger Watson | Director, Corruption Prevention | |
| | Mr Robert Sutton | Acting Director, Operations | |
| 12 September 2012 | Mr Murray Lampard APM | Associate Professor | Edith Cowan University |

Chapter 1

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| 12 September 2012 | Mr Ron Davies QC | Barrister | |
| 26 September 2012 | Mr George Tilbury | President | WA Police Union of Workers |
| | Mr Brandon Shortland | Vice-President | |
| | Ms Judith Fordham | Associate Professor | |
| | Mr Stephen Roast | Associate Professor | |
| 17 October 2012 | Mr Craig Colvin SC | Acting Parliamentary Inspector | Office of the Parliamentary Inspector of the Corruption and Crime Commission |
| | Mr Murray Alder | Assistant to the Parliamentary Inspector | |
| 24 October 2012 | Dr Karl O'Callaghan APM | Commissioner | WA Police |
| | Mr Dominic Staltari APM | Assistant Commissioner, (Professional Standards) | |
| | Inspector Greg Young | | |
| 7 November 2012 | Mr Roger Macknay QC | Commissioner | Corruption and Crime Commission |
| | Mr Mark Herron | Acting Commissioner | |
| | Mr Mike Silverstone | Executive Director | |
| | Mr Roger Watson | Director Corruption Prevention | |
| | Ms Michelle Harries | General Counsel | |
| | Mr Maurice Hanrahan | Chief Finance Officer | |
| 9 November 2012 | Mr Roger Macknay QC | Commissioner | Corruption and Crime Commission |
| | Mr Mark Herron | Acting Commissioner | |
| | Mr Mike Silverstone | Executive Director | |
| | Mr Roger Watson | Director Corruption Prevention | |
| | Ms Michelle Harries | General Counsel | |
| | Mr Maurice Hanrahan | Chief Finance Officer | |

Closed hearings

Pursuant to Legislative Assembly Standing Order 271(3), the Committee may resolve to take evidence in closed session. During the period 1 July 2011 – 14 December 2012 in the 38th Parliament the Committee conducted one closed hearing. No closed hearings were held in the period to 30 June 2013 of the 39th Parliament.

Table 3: Closed hearings of the Committee in the 38th Parliament: 1 July 2012 – 14 December 2012

| Date | Name | Role | Organisation |
|-----------------|--------------------|--|--|
| 17 October 2012 | Mr Chris Colvin SC | Acting Parliamentary Inspector | Office of the Parliamentary Inspector of the Corruption and Crime Commission |
| | Mr Murray Alder | Assistant to the Parliamentary Inspector | |

Briefings

In addition to gathering evidence during formal hearings, the Committee received five briefings during the reporting period (see Tables 4 and 5 below). The briefings were used to gain information in relation to the Committee's inquiries as well as other matters.

Table 4: Briefings received by the Committee in the 38th Parliament: 1 July 2012 – 14 December 2012

| Date | Name | Role | Organisation |
|-----------------------|------------------------|------------------------|-------------------------------------|
| 27 August 2012 | Mr Douglas Meagher, QC | Barrister | Office of Police Integrity Victoria |
| | Mr Michael Strong | Former Director | |
| 28 August 2012 | Mr Andrew Scipione APM | Commissioner | New South Wales Police Force |
| | Mr Paul Carey | Assistant Commissioner | |
| | Mr Dave Hudson | | |

Chapter 1

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|-----------------------|--------------------|---|---------------------------------|
| 28 August 2012 | Ms Linda Waugh | Deputy Ombudsman (Police and Compliance) | New South Wales Ombudsman |
| | Mr Michael Gleeson | Manager (Police and Compliance) | |

Table 5: Briefings received by the Committee in the 39th Parliament: 22 May 2013 – 30 June 2013

| Date | Name | Role | Organisation |
|--------------|--------------------------|---|---|
| 19 June 2013 | Mr Roger Macknay QC | Commissioner | Corruption and Crime Commission |
| | Mr Mike Silverstone | Executive Director | |
| | Ms Michelle Harries | General Counsel | |
| 26 June 2013 | Hon Michael Murray QC | Parliamentary Inspector | Office of the Parliamentary Inspector of the Corruption and Crime Commission |
| | Mr Murray Alder | Assistant to the Parliamentary Inspector | |

Investigative travel

In August 2012 the Committee travelled to Melbourne and Sydney where it was briefed by senior staff from agencies (see Table 4 above) to gather evidence for preparing Report 32, *How the Corruption and Crime Commission Handles Allegations and Notifications of Police Misconduct*.

Conferences

The Committee did not attend any conferences during this reporting period.

Reports tabled

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

38th Parliament

Report 29: *Guarding the Guardians* (16 August 2012);

Report 30: *Annual Report 2011-12* (27 September 2012);

Report 31: *Surveillance and Accountability: A Gap in the Oversight Umbrella?* (8 November 2012); and

Report 32: *How the Corruption and Crime Commission Handles Allegations and Notifications of Police Misconduct* (15 November 2012).

39th Parliament

Report 1: *Proceeds of crime and unexplained wealth: A role for the Corruption and Crime Commission?* (20 June 2012);

Report 2: *How the Corruption and Crime Commission handles allegations and notifications of Police misconduct* (20 June 2012); and

Report 3: *Acting Parliamentary Inspector's report on a complaint by the Commissioner of Police against the CCC* (27 June 2013).

Report 1 in the 39th Parliament was tabled to extract a Government response to the 12 findings and two recommendations of Report 28 (*Proceeds of crime and unexplained wealth: A role for the Corruption and Crime Commission?*) of the Joint Standing Committee in the 38th Parliament which was laid on the Table of the Legislative Council on 28 June 2012 and the Legislative Assembly on 7 August 2012. The Government had not responded to this report by the time the Parliament was prorogued in January 2013.

Similarly, Report 2 was tabled to re-state the 20 findings and five recommendations of Report 32 (*How the Corruption and Crime Commission handles allegations and notifications of police misconduct*) of the Joint Standing Committee in the 38th Parliament and which was laid on the Table of the Legislative Assembly and the Legislative Council on 15 November 2012.

Chapter 2

Financial statement

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

The Committee's expenditure for the financial year 1 July 2012 – 30 June 2013 (in accordance with Standing Order 276) is detailed below:

Table 4: Committee expenditure: 1 July 2012 – 30 June 2013

| | |
|----------------------------|-----------------|
| Advertising | - |
| Printing | \$4,330 |
| Investigative travel | \$43,420 |
| Conference fees | - |
| Staff and Member amenities | \$410 |
| Miscellaneous | \$220 |
| Total | \$48,380 |

Notes:

- *Figures rounded to nearest \$10.*
- *Salaries of committee staff are not included.*
- *Costs of shared administrative expenses, including lease costs for committee accommodation, are not included.*
- *Investigative travel may include some pre-payments for travel to be undertaken in 2013-14.*

Appendix One

Committee's functions and powers

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

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

It is the function of the Joint Standing Committee to -

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

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