

2-12-96

*Dissenting report to the  
Senate Select Committee on the Victorian Casino Inquiry*

*Senator John Woodley (Australian Democrats)*

The Australian Democrats recognise that there is difficulty surrounding the question of whether public servants, other government employees and Members of Parliament and Senators should be coerced into giving evidence to Senate inquiries.

We also respect the legal opinion given to the Casino Inquiry Committee which suggests that it is not possible for the Senate Committee to sub-poena such people as witnesses (although it appears that the Senate as a whole may have that ability).

However the Democrats' grave concern is that often where there are problems within State Governments, only an independent body such as the Senate can be a point of last appeal for Australian citizens.

This has been demonstrated in the reports of both Whistle-blower Inquiries.

Without strong national whistle-blower legislation, and an independent federal agency to administer such legislation, ordinary Australians will have no recourse against injustice, perpetrated on them by State Governments and their agencies.

The Democrats are also concerned at the Casino Inquiry Committee's assertion of 'comity' as a justification for closing down the inquiry.

Comity refers to the 'two way street' consequences of taking certain actions.

The majority report of the Casino Inquiry Committee states that comity is:

*"...the biblical rule of doing unto others as you would have them do unto you. If the Senate can summon state officials to appear in the course of an inquiry into matters within the legislative competence of the Commonwealth, a State House can summon Commonwealth officers to appear in the course of an inquiry into matters within the legislative competence of the State. The possibility of retaliatory inquiries cannot be ruled out. Mutual cooperation can*

*be seen as the safeguard against mutual escalating interference in each other's operations."*

This interpretation of 'the golden rule' raises an ethical problem which is basic. The golden rule should not be interpreted in terms of threats or retaliation or even as 'mutual cooperation' to avoid 'interference'.

The golden rule should be interpreted to mean that you ought to maintain standards of behaviour toward others that you would ethically expect them to maintain toward you.

On this basis the Democrats are concerned that it is too easy to avoid accountability when different levels of government agree not to investigate each other.

Labor and Coalition Senators sitting on this Inquiry Committee have reasons to be concerned about damaging publicity if aspects of casino administrations in Labor or Liberal states were to be thoroughly scrutinised.

The Inquiry into the Victorian Casino was charged with inquiring into "*whether Australia's best interests have been adequately protected during the tendering process with particular reference to the record and reputation of the tenders*".

Despite significant evidence to suggest that this clause in the terms of reference could have elicited serious and important submissions, this Inquiry is to be closed down.

Once again Australia is seen to be the place where deals done in highly controversial circumstances are not exposed to independent scrutiny.

Evidence given to the Australian Democrats suggest that this kind of behaviour is endemic to the casino culture and not just an aberration in an otherwise clean industry.

In relation to the Victorian Casino, the Premier of that State, Jeff Kennett, will forever remain under suspicion for manipulating the process to close down an Inquiry which could have embarrassed him politically.

While the Australian Democrats do not make that assertion, the question will always remain in the public mind: "What did the Victorian Government have to hide?"

There has also been an injustice done to public servants and Gaming Commissioners who may have been involved in the administration of the Victorian Casino.

They have not had the option of answering the inferences of improper behaviour which an Inquiry conducted under Parliamentary privilege would have given them.

The opportunity has been lost to question increasing government dependence on gambling revenue, (although the drift into a gambling-dominated culture in Australia demands serious investigation).

Gambling is a highly inequitable form of taxation with serious social consequences. These costs are discounted by governments who are becoming more and more reliant on gambling revenue to plug the gaps left by a shrinking tax base.

There are also serious issues interstate which remain unresolved.

For example in Queensland, these issues include the assertion of an unfair tendering process for the Treasury Casino in Brisbane.

US company Harrah's claimed in 1992 that *"It is in our view that, based upon what we know of the matter, the tendering process was not applied by the (Queensland) Government evenly among the various tenders for the (Treasury Casino) license, or consistently with the brief to applicants, including addenda, which the Government published and on which submissions were sought."*

The company goes on to say *"...our unsatisfactory experience in connection with the Brisbane bid has resulted in a decision not to proceed with tenders for other available casino licenses in Australia, or, for that matter, any other business opportunities in Australia..."*

Many Queenslanders who raised questions about the whole process involved in the Treasury Casino will now be denied the opportunity to pursue those questions until they get satisfactory answers.

The finding of the majority report of the Senate Casino Inquiry that a full judicial inquiry, Royal Commission or other form of inquiry into the probity evaluation of the tenders is warranted is welcome.

However the chances of the Victorian Government following that recommendation are remote and the committee is well aware of that fact.

What has happened here today is that the Premier of Victoria has manipulated a Senate inquiry with the express purpose of avoiding scrutiny of a highly controversial government decision.

The Casino Inquiry Committee had other courses of action available. It could have tested the Senate as a whole to see if it would agree to compel members and employees of the Victorian Government to answer questions about the Crown Casino.

It could have held public hearings taking evidence from parties other than members and employees of the Victorian Government.

It could have used the terms of reference to inquire into the controversial circumstances of the tender process for the Brisbane Casino.

But the Committee has chosen to recommend a Royal Commission that it knows will not be held and in doing so has lessened the impact of Senate Inquiries in the future.

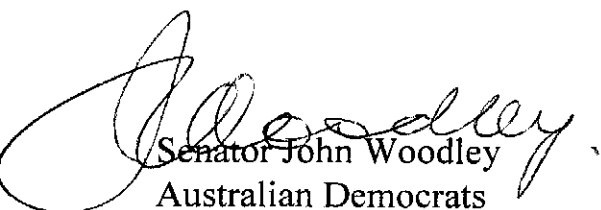
This is a serious consequence of the Senate Casino Committee's decision.

The majority report of this committee sets a precedent for the Senate and for other state jurisdictions who may cease even attempting to sub-poena public servants.

The effect which this development will have on the ability of ordinary citizens to seek redress when injustices are perpetrated against them remains to be seen.

But what can be seen now is that the decision to close down the Casino Inquiry is a backward step.

How can ordinary Australians have confidence that Australian politicians will be accountable?

  
Senator John Woodley  
Australian Democrats