

Labor announces inquiry by former attorney-general Lavarch into scandal-ridden NSW head office

Written by Michelle Grattan, Professorial Fellow, University of Canberra

The ALP has announced an inquiry into the head office of the NSW ALP, after weeks of shocking revelations at the Independent Commission against Corruption about scandals in the handling of donations.

The review, announced by NSW opposition leader Jodi McKay and federal opposition leader Anthony Albanese will be led by Michael Lavarch - who was attorney-general in the Keating government - and will be in two stages.

The first stage will examine the roles, responsibilities and oversight of the NSW branch's general secretary, with a report next month.

Evidence to ICAC has discredited the last two secretaries – Kaila Murnain, who was suspended during the ICAC hearings, and her predecessor Jamie Clements.

The ICAC inquiry has centred on a \$100,000 cash donation before the 2015 state election. Allegedly it was delivered to the ALP headquarters in an Aldi shopping bag by Chinese property developer Huang Xiangmo, and its origin disguised by the use of false names. Donations from property developers are banned by NSW electoral law.

McKay said there had been “some shocking and appalling evidence” from the ICAC hearings. “Out of the ICAC inquiry it's become obvious that there is far too much power vested in the general secretary,” she said, as well as there being a cultural problem in the head office.

The second part of the review will look at the head office's mechanisms, processes and governance which, McKay said, “just seem to be lax and deficit right now”.

The broad-ranging review will examine the role and structure of the state administrative committee, fund raising activities and the reporting of donations.

Labor announces inquiry by former attorney-general Lavarch into scandal-ridden NSW head office

Written by Michelle Grattan, Professorial Fellow, University of Canberra

"It is clear that we need to let the sun shine in to our head office", McKay said, adding that she had been "distressed by the evidence that has emerged.

"It is no longer 'whatever it takes' [the title of the book by Graham Richardson, a one time NSW general secretary]. That ended a long time ago, but our head office has to reflect that. This is about accountability, transparency and honesty.

"It's also about living up to the expectations of our thousands of decent party members and it's about ensuring that people can have confidence in who we are as a party as we seek to rebuild trust in New South Wales Labor."

Albanese told their joint news conference that "clearly party officers have let the party membership down".

Lavarch's recommendations would go to both the NSW administrative committee and to the ALP's national executive. That would mean changes could be implemented immediately, rather than having to wait for a state conference.

Albanese stressed the need for cultural change in the party, while saying the ICAC proceedings reinforced the need for a national integrity commission.

The opposition leader also recalled that many years ago at a NSW Labor conference he had said part of the cultural problem was that the NSW secretary was seen to possess "a Papal infallibility" and "that it was time the white smoke was raised for the last time".

What had now occurred was "a recognition across the party from senior levels down to rank-and-file members, that that culture needs to change. That the culture whereby the general secretary makes a directive and people fall into line needs to change". This was something being looked at very explicitly by Lavarch.

Labor announces inquiry by former attorney-general Lavarch into scandal-ridden NSW head office

Written by Michelle Grattan, Professorial Fellow, University of Canberra

McKay said a new secretary would not be appointed until after the Lavarch report. “There will be no appointment of a general secretary until we have a firm definition around the roles and responsibilities, and indeed how this position works within the broader party structure,” she said. There might be some additional roles created as well.

The party is currently recruiting for an assistant general secretary following the resignation of Pat Garcia to head up Catholic Health Australia. He has been acting general secretary since the suspension of Murnain.

McKay said it would be preferable not to have to recruit now “but we have to have someone leading our administrative part of our party”.

She was scathing about both Murnain and Clements.

Michelle Grattan does not work for, consult, own shares in or receive funding from any company or organization that would benefit from this article, and has disclosed no relevant affiliations beyond their academic appointment.

Authors: Michelle Grattan, Professorial Fellow, University of Canberra

Read more <http://theconversation.com/labor-announces-inquiry-by-former-attorney-general-lavarch-into-scandal-ridden-nsw-head-office-125209>