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PRIME MINISTER

FOR MEDIA

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After all the extreme assertions and allegations levelled by Mr Peacock, what emerged yesterday was a statement which:

- fails completely to substantiate the grave personal allegations made against me
- is based on misrepresentation and distortion
- will be totally unconvincing to the Australian people.

The record is clear. This Government has consistently had, and continues to have, an absolute commitment to the fight against organised crime.

Mr Peacock called upon the Government to release the Costigan report. I have made it clear on a number of occasions, most recently in the Parliament on 12 September, that the Government is committed to the earliest possible release of Mr Costigan's forthcoming report, limited only by Mr Costigan's own recommendations on confidentiality and the need to ensure that investigations are not prejudiced. On which point we will also be guided by those who will have responsibilities in this regard. The point was clearly made that should the Parliament not be sitting, the Government will take steps to permit the appropriate public release of the report.

This Government has been concerned to give the greatest possible support to the Costigan Royal Commission. Early in the life of this Government, in May 1983, the Government significantly increased the financial and staffing resources available to Mr Costigan. The previous Government had provided the Commission with a staff of approximately 70 people. Under this Government the number of people employed by the Commission has risen to approximately 120, so allowing for the recruitment of additional professional legal staff, intelligence collators, and research, records and ADP staff. New and larger premises were provided for the Commission. What has been done by this Government proves the falsity of the assertion that we have failed to support Mr Costigan.

Neither this Government nor its predecessor intended that the Costigan Royal Commission would continue indefinitely. This Government reached the view that it should seek to establish a National Crime Authority structured in a different way to a Royal Commission but able to take over, on a continuing basis, those of the Costigan Commission's investigations which bear on organised crime more generally than just in connection with the Federated Painters and Dockers Union.

The National Crime Authority will clearly not be the under-powered body described by Mr Peacock. While it is carrying out investigations into matters referred to it by the Inter-Governmental Committee, it will be able to exercise considerable coercive powers. These powers include the right to summon

witnesses, to require the production of documents, to make applications for search warrants, to seize material pursuant to those search warrants and to seek judicial orders to have passports delivered to it.

In addition to these considerable coercive powers - and this is where the National Crime Authority differs from the Royal Commission model - there is also provision for the protection of fundamental civil liberties and for the active participation of the States. As Special Prosecutor Redlich noted in his Annual Report (p.48) "The National Crime Authority Act 1984 gives genuine emphasis to all three considerations. The Authority has the scope to maintain the initiatives developed by the Costigan Royal Commission."

Mr Peacock quotes in a most misleading fashion from comments made by Senator Evans on the role of the States under the previous Government's National Crime Commission by deleting the very significant qualification made by Senator Evans that State co-operation would ultimately need to be forthcoming.

Mr Peacock tries to claim that matters under investigation by Mr Costigan cannot be transferred directly to the new National Crime Authority. In fact, all references from the Commission have been made available to the National Crime Authority and is presently being examined by its members. The Authority will then make recommendations to the Inter-Governmental Committee about the references it believes it should receive from the Committee.

This Government has always recognised the need, as the previous Government did, for a transition period which would overlap conclusion of the Costigan Commission and the establishment of the National Crime Authority. The Opposition's actions in referring the National Crime Authority Bill to a Senate Committee in November 1983 delayed the establishment of the Authority. But the Government has always sought to co-operate with Mr Costigan to ensure a successful transition.

In this regard, the statement by Mr Peacock that I did not bother to reply to a particular letter from Mr Costigan is blatantly and obviously misleading and typical of his selective and tendentious quoting from tabled correspondence. The copy of that letter which was tabled in the Parliament carries a special annotation noting that the Special Minister of State, Mr Young met with Mr Costigan one week after Mr Costigan's letter was received. At that meeting Mr Young and Mr Costigan agreed on a transition timetable. After the meeting a statement agreed between Mr Young and Mr Costigan was released on the future timetable of the Royal Commission.

Mr Peacock tries to imply that the Government has some political concern about the effects of Mr Costigan's forthcoming report. The lessons of history show that Mr Costigan's investigations uncovered widespread illicit activity by the tax-avoiding friends of the Liberal Party. These revelations were considerably embarrassing to the Fraser Government. But this Government has no reason to believe that the Costigan Commission's investigations will reflect adversely on it.

Mr Keating has already denied completely allegations that he suggested to the Cabinet that the Costigan Commission should be prematurely terminated. The whole suggestion is wrong - it is preposterous. It is in the same category as the allegation made in the Parliament by Mr Steele Hall with the support of Mr Peacock that Mr Barron of my staff had attempted to have suppressed stories in the Age. This totally untrue and scurrilous concoction of these desperate men was destroyed by the editor of the Age, Mr Burns.

Let me emphasise this particular point. Mr Costigan's correspondence specifically refers to my suggestion to him that he should particularly concentrate in the time available to him upon that aspect of organised crime involving the drugs trade. He expressed his unqualified agreement for I believe he shares my view that this is an abomination and a threat to the stability of our society. It is one subject in respect of which I have to fight to retain my rationality when contemplating what should be done to those who endanger the lives, particularly of our young, by profiting in this trade. I find it impossible to convey the revulsion I feel at the allegation that I would seek in any way to inhibit the identification and bringing to justice of anyone, whatever their station in life, so involved.

Mr Peacock also attempts to blame me for leaked information such as that which appeared in the National Times last week. I must agree with Mr Peacock that the publication of this information was harmful and may well prejudice investigations. But it is Mr Peacock who has had access to leaked information, and indeed who has encouraged and incited the leaking of material by the use he has made of it, who is in a position if he

wishes to remind those responsible of their obligations to protect confidential information.

The spurious allegations made by Mr Peacock about material not having been tabled have already been answered. As I said in Parliament on September 6:

"It is the wish of the Government to see an effective transition from the proceedings and processes of the Costigan Royal Commission to the National Crime Authority. It is clear that Mr Costigan and the National Crime Authority have a different view on the adequacy of the transition arrangements. While Mr Costigan appears to believe that there will be problems with the transition, the National Crime Authority has advised that its members 'disagree' unanimously with Mr Costigan's assessment of the situation. Clearly this is a matter between Mr Costigan and the National Crime Authority. I am pleased to say that to assist the House I will table later this day the full correspondence from Mr Costigan and the National Crime Authority on this matter."

I tabled exactly what I undertook to table. Again Mr Peacock engaged in misrepresentations by suggesting I had not tabled all correspondence. I dealt with this explicitly in the Parliament on the 10th September when I said:

"On 7 September the Leader of the Opposition read out a list giving the dates of other correspondence between Mr Costigan and me. As he indicated, these letters were not included among those tabled on Thursday. A cursory inspection of the dates involved would have shown that they all dated back to at least March, and in a number of cases to 1983. These letters cover a period well before the transition commenced, and well before the National Crime Authority had come into existence. Indeed, the date of the first letter mentioned by Mr Peacock showed it was written four days after this Government was sworn into office. I at no stage indicated that I was purporting to table related correspondence with Mr Costigan extending back to the commencement of my Government. Nor was this sought by the Opposition prior to the tabling. But, to make it crystal clear that this Government has nothing to hide in this matter, that is what I have just done."

By our willingness to table material we have clearly shown we have nothing to hide.

Mr Peacock's comments on the transition show that he fails to recognise that the Costigan Royal Commission and the National Crime Authority have independent status based on statute.

When certain problems emerged during the transition period, the Government made clear its firm wish that the transition be effective and that the necessary liaison take place for this to occur. Discussions were held with both Mr Justice Stewart

and Mr Costigan. But it would have been wrong and improper for the Government to seek to intervene and to purport to issue instructions to these independent bodies. For Mr Peacock to suggest that this should have been done shows how little he appreciates the position and nature of either organisation.

On 6 September I met with the Chairman, Mr Justice Stewart, Mr Max Bingham, QC, and Mr John Dwyer, QC, of the National Crimes Authority, all of whom command the highest possible respect in the community. It should be noted Mr Bingham and Mr Dwyer were unanimously endorsed appointments by the Federal Government, all State Governments and the Northern Territory. I asked Mr Justice Stewart, with all his experience in fighting organised crime, whether there was any further assistance the Authority required from the Government in its fight against organised crime. He replied there was not. I asked Mr Justice Stewart whether he was confident the Authority would be effective in fighting organised crime. He replied that he was. In my discussions with the members of the Authority I have emphasised that the Government expects the Authority to investigate vigorously all matters of substance concerning organised crime without fear or favour and let the cards fall as they may. This is the policy of the National Crimes Authority. By his statement Mr Peacock has impugned the integrity of its members.

On the subject of the transition, the Authority has indicated to me that it expects that among the resources it will have available to it at the termination of the Costigan Commission will be:

- . the computer data base and system;
- . the analyses prepared by Commission staff;
- . the material contained in the Commission's reports;
- . one of the junior Counsel assisting Mr Costigan;
- . the team of solicitors who have been engaged in conducting Mr Costigan's operations;
- . accountants who have been involved in Mr Costigan's operations; and
- . analysts, collators and other staff said by Mr Costigan to have been trained for the Authority.

The Authority's access to these resources is presently limited by Mr Costigan's proper requirements for writing his report; but once that task is completed and the Authority has full use of the transferred staff and materials from Mr Costigan's Commission the Authority is confident that its work will proceed satisfactorily.

Mr Peacock makes some statements about The Age tapes. The Government appointed the Director of Public Prosecutions, Mr Ian Temby QC, to inquire into this material. It was Mr Temby who recommended, after he had concluded his inquiries, that the matter be left as it is until Mr Justice Stewart and the Senate Committee have completed their relevant inquiries. This

recommendation has been accepted by the Government. If Mr Peacock condemns this decision he condemns the recommendation of the Director of Public Prosecutions.

Mr Peacock's latest statement is the action of a desperate man. He has been unable to make any effective criticisms of the Government's economic policies. He is reduced to mud-slinging and misrepresentation in a sordid attempt to get political mileage out of the organised crime issue. The fact is that the Government's actions in supporting the fight against organised crime have been responsible and realistic and will stand up to any fair inspection.

Mr Peacock has made specific, scurrilous allegations against me. The virtually universal reaction within the community has been that he has demeaned himself, his office and his Party. The judgement has been that unless he backs up his allegations with hard and relevant facts his position will be irretrievable.

This he has totally failed to do. And this has been inevitable because the allegations are entirely without substance.