

# Life of Brian

by PAUL BARRY

**W**HEN IT COMES TO BRIAN BURKE, I CAN'T GET PAST THAT PANAMA HAT. WHAT SORT OF PERSON WEARS HEADGEAR LIKE THAT TO FACE CORRUPTION CHARGES? SURELY ONLY SOMEONE WHO HAS TICKETS ON HIMSELF, WHO THINKS HE'S special and who wants to show he doesn't care how the world judges him. But, of course, Western Australia's most famous ex-premier does care, and deeply so. That's why he broke down in tears when the latest criminal case against him was thrown out of court in Perth last month, and why he tried his best to convince me before the trial that he was not only innocent but the victim of a witch-hunt.

Burke struck me, during those two off-the-record conversations, as a rather pathetic figure, a man in denial. He seemed to be living in his own little bubble, no longer able to listen to anybody except his supporters. This stunning court victory reveals, though, just why he has stuck so close to friends and family.

It's no secret that Burke and his supporters are adamant he's never done anything wrong: not when, as premier, he rorted his travel allowance to the tune of \$17,000, for which he was jailed in 1994; not when he spent political donations worth \$122,585 on his personal stamp collection, for which he was jailed in 1997; not even when he lied to WA's Corruption and Crime Commission, for which he was fined \$25,000 in April of this year; and certainly not when he stretched the art of lobbying to new extremes. In this latest case, they have at last found a court that agrees with their verdict.

"They talk about corruption all the time," says Kevin Reynolds, the colourful boss of the union representing construction workers in WA (the Construction Forestry Mining and Energy Union) and one of Burke's closest friends, "but

there's never been any brown paper bags and there's not one charge of money changing hands or anything financial."

"Brian has never paid anyone to do anything," says another of his mates, the knockabout horse trainer and ex-talkback host Bob Maumill. "He doesn't need to. He knows who to ring and what to say when he rings." And ring people Burke certainly did. In 2006, he made around 13,000 phone calls (more than 40 per day), which were secretly recorded and analysed by a team of 40 people at the CCC. These calls revealed Burke to be an extraordinarily effective lobbyist, who knew exactly how to find the pressure points in government and how to use his armoury of political skills - flattery, inducements, intimidation and threats - to get decisions made in his clients' favour.

In several cases, Burke allegedly obtained confidential information from his contacts in government. In others, he leant on them to change key policies or personnel. In one notorious case involving the highly controversial \$330 million Canal Rocks development in WA's south-west, he even

Brian Burke leaving the Corruption and Crime Commission, Perth, 20 February 2007. © Newspix / News Limited





Burke with his wife, Sue, in 1991. © Newspix / News Limited

helped field and secretly finance a slate of council candidates who pledged to vote in favour of his client's interests.

So far, the CCC has manifestly failed to prove that any of this behaviour was illegal. But even if Burke beats the last set of charges against him – due in court later this year – he still may not go down in history as an innocent man. “What Brian Burke did was corrupt the processes of government,” says his biographer, Professor Quentin Beresford, “first as premier in the 1980s, then as a lobbyist.” Or as Alan Carpenter, then Labor premier, put it when responding to the CCC's initial report in October 2007, “There's no findings of illegality or corruption, but ... I think everybody knows there was a lot of inappropriate behaviour... [Burke] has brought disgrace upon himself ... the Australian Labor Party and the state of Western Australia.”

Before last month's acquittal, Burke certainly had little or no popular sympathy. “If you had a referendum they'd vote to hang him,” Kevin Reynolds told me. “And in this town a lot of them wouldn't be happy with that. They'd like

to see him hung, drawn and quartered.” “He is a terrible, evil man,” a Perth taxi driver concurred, “because he's greedy. Everything he did was for himself and not for the state.”

Yet even Burke's enemies accept that he is a remarkable man. Billed in the 1980s as a future prime minister and the most gifted politician in Australia, he set records by becoming the first head of government to go to jail and, three years later, by becoming the only one ever to repeat the trick. He bounced back from prison and the public disgrace of the WA Inc Royal Commission to climb the greasy pole again and make a fortune as a lobbyist, before plummeting back to Earth a second time. Even he would probably accept that his chances of a third spectacular rise and fall are not looking good.

At the height of his popularity as premier, Burke was Brian the Brilliant, with an extraordinary 80% approval rating among voters. “He could have stayed in power for decades,” says his arch-political enemy, Jim McGinty. “He marketed himself magnificently and never put a foot wrong with the media. I've never seen anyone as good. Even Bob Hawke and Neville Wran in their heyday weren't as smart, as plausible, as persuasive or as good at bringing people along with them.”

Others reached the same conclusion. Kim Beazley thought him a “genius”; Bob Hawke dubbed him a “great Australian” (as he did Alan Bond) and Paul Keating was in awe. Even when Burke stepped down as premier in 1988, four months after his government's disastrous rescue of Rothwells bank, Hawke and the ALP clamoured for him to take a federal seat and become a minister in Canberra. Instead, he skipped off to Ireland (as a Hawke-appointed ambassador) in the hope he could watch WA Inc implode from a safe distance. Three years later, he was forced to return to face the royal commission, which ultimately led to him being sent to prison.

Reading the commission's report 18 years on, it seems astonishing that Burke ever managed to regain the respect of his peers. Not only did the commission find him responsible for blowing hundreds of millions of dollars of taxpayers' money, it also judged him to have corrupted the process of government, ingratiated himself with crooks such as Laurie Connel and lied when giving evidence. Although no such charges were ever brought, the commission castigated the former premier for refusing to provide information to police, for suffering “remarkable” loss of memory, for changing his story repeatedly and for giving evidence that was simply “not truthful”.

Even worse, however, was its verdict on what Burke did during his five years as premier. First, he appointed his mates to the highest levels of government, despite many of them lacking the relevant skills. Second, he grabbed control of government satellite companies and super funds and

squandered their money on development projects. Third, he kept his cabinet colleagues in the dark or “actively misled” them over deals he was doing with Connell, Bond and others. Finally, he demanded millions of dollars in donations from these entrepreneurs – who clearly expected government favours in return – so he could keep himself and the ALP in power.

Alan Bond and his companies gave Burke and the ALP more than \$2 million in secret donations, Laurie Connell gave close to \$1 million, John Roberts of Multiplex Constructions Pty Ltd (which built most of WA’s big projects) gave around \$700,000 and Dallas Dempster (who was awarded the contract to develop Burswood Casino) gave around \$800,000. Burke told these powerful businessmen what to give and when to give it, and they duly coughed up so they could keep doing business in WA. “The size of the donations was quite extraordinary,” the royal commission observed. “In many instances, there is an obvious connection in time between donations and events in which the donors were concerned with government. It is not surprising, therefore, that the circumstances should give rise to suspicion that improper practices might have occurred and undue influence might have been exercised.”

Burke’s most famous “request” for donations was made in June 1987 at a private lunch in Perth. Connell, Bond, Roberts and Dempster were invited to meet the then prime minister, Bob Hawke, and stump up \$1 million for the ALP’s federal election campaign. Hawke apparently left before the hat was passed around and wasn’t responsible for putting the hard word on anybody, but he was certainly happy for the party to take the money. Indeed, one of the key reasons why he and the ALP admired Burke so much was that Burke’s funds helped keep them in power.

It wasn’t simply the ALP that was enriched by the multi-million-dollar contributions, though. Brian’s brother Terry – who also attended the famous lunch – pocketed around \$300,000 in commission for a couple of hours’ work that day and \$600,000 in total for his efforts in raising money for the ALP. Brian’s loyal personal assistant, Brenda Brush, also shared in the feast, receiving \$80,000 (on Brian’s orders), which the commission found was “not remotely justified” by any work she had done.

And, of course, Burke himself fed handsomely: first, by accepting \$185,000 of his brother’s commission via an interest-free loan, which he invested in property in Perth and never repaid, and second, by ordering that \$100,000 donated by the Perth businessman Yosse Goldberg be kept in cash in his office safe. It was this money, in the so-called “Leader’s Account”, that Brian spent on his much-loved stamp collection and that landed him in jail for stealing. Burke told police he bought the stamps as an investment for the ALP,

but admitted he hadn’t actually informed anyone in the party and had no record of who owned what. “Remarkably and unfortunately”, Brush also destroyed all records of how much the Leader’s Account received in donations and what it did with the money. “She was unable to provide a satisfactory explanation for having done so,” the commission observed.

In 1997, Burke was eventually sentenced to three years in prison for theft, only to have his conviction quashed on appeal and to be released after six months. He emerged from jail intent on rebuilding his reputation, influence and fortune. By this time, his allies were peddling the argument that the ex-premier was an innocent man who had done nothing illegal, claiming his first conviction was for a trivial offence and his second a mistake. This certainly eased his comeback, but it was by no means the only factor at work.

A far bigger force was Brian Burke himself. He was a big man with a compelling presence and a huge amount of energy; Perth was a small town, its political parties even smaller. As one ex-MP has famously observed, the combined membership of Labor and Liberal parties in WA wouldn’t add up to the membership of the average suburban football club. In such a small gene pool, Burke found it easy to dominate, despite his recent disgrace. “He did what he did by dint of his personality,” says Jim McGinty, summing up Burke’s remarkable rise and rise over three decades. “For a fat, short, bald bloke he was remarkably charismatic. He made you feel important, he’d flatter you and stroke your ego. He could get people to do remarkable things for him.”

“He was very persuasive,” agrees Jeff Carr, who was a cabinet minister in Burke’s government in the 1980s. “He had a great ability to make people feel important, to make them feel he was taking notice of their opinion when perhaps he wasn’t.” According to his mate Kevin Reynolds, “Brian can recall everything about people he’s met, their names, the names of the kids, where they live, what they’re doing.” He also knows almost everyone who matters in Perth and where they fit in.

Burke’s extraordinary talents as a networker were made more potent by the fact that the ALP preselection process in WA is centralised and easily manipulated. Candidates for state and council seats are typically selected at big party meetings, where nominees need powerful friends if they are to succeed. And Burke’s right-wing faction carried more clout than any other, despite his spells in prison. This was partly because of his personal magnetism and the patronage he had bestowed as premier, but also because he had the support of key unions such as the CFMEU (containing the old Builders Labourers Federation, known as the BLF), which is run by Kevin Reynolds.

Reynolds is widely regarded as a thug and posters in the union’s foyer help explain how he got this reputation. One

declares, “It’s time to stop Howard f\*\*\*ing with your pay”. Another says simply, “Fucc the ABCC” (a reference to the much-hated Australian Building and Construction Commission). In person, though, he’s affable – both funny and frank. Widely known as Big Kev, he’s a great deal smaller than he used to be, thanks to lap-band surgery, which both he and Brian Burke have undergone. He shows me a picture of Really Big Kev, who was 40 kilograms heavier, and explains that Burke was the last pro-union premier WA is likely to see: “Brian was always ready to listen and ready to help the unions and his government was good for jobs. Burswood Casino and Observation City were built when Burke was in power, and there were so many cranes on St Georges Terrace they called it Multiplex Terrace.” Better still, Burke refused to deregister the BLF in WA even though the Hawke government had the union struck off nationally, and he happily found jobs for ex-union organisers in the government car pool. Such favours are not forgotten.

But Reynolds offers an even sharper insight into the way WA works by revealing that he only got close to Burke in the 1990s when he married Shelley Archer (who was forced to resign from the ALP in 2007 because of her dealings with Burke as a lobbyist). The Archers were a strong Catholic ALP family, with 16 kids and close ties to two other Labor dynasties, the Burkes and the Beazleys, who have dominated the ALP in Perth since the 1950s. Brian’s father, Tom Burke, knew Kim’s father, Kim Beazley Snr, and the kids all grew up knocking on the same campaign doors and singing from the same ALP songsheet, which left them lifelong friends.

The Beazleys and Burkes were both in the Right faction of the party and got hurt in the momentous ALP–DLP split in 1955. Indeed, Tom Burke’s support for Robert Menzies’ anti-communist laws ultimately led to his expulsion from the party. Young Brian was apparently driven by a desire to atone for this, or perhaps to seek revenge. “I’m going to be elected to parliament and then I’m going to become premier,” he told Maumill in the early 1970s. “I think it would make my father proud.”

At the time, Burke was a most unlikely future leader. He was a TV reporter with Channel 7, labouring under the nickname Fat Albert and famous for stunts such as standing neck-high in water to report a flood story or falling off a wall Humpty Dumpty-style to ram home his punchline. A great storyteller and a heavy drinker, he would gather a crowd of people at the bar while he spun yarns and sank grog. Then, one night, he crashed his car and was prosecuted for drink-driving. As Burke reassessed his life after the accident, ambition kicked in and from then on his rise to the top was meteoric. By the age of 34 he was party leader, by 36 he was premier and by 41 he was quitting politics. His friends say he got bored once he got to the top. “He found it too easy,”

says Maumill. “He dominated parliament and cabinet and had the public service under his thumb.”

More to the point, perhaps, he missed the smoke-filled rooms, the deals, all of the intrigue and politicking that had got him there in the first place. No doubt it was this same excitement he craved both when he came out of jail in 1997 and when he took up lobbying three years after that. Following almost a decade on the sidelines, he needed to get back in the fray. It was his life – his fun – and what he was best at. “He just couldn’t help himself,” one observer believes. Says Jim McGinty, “He wanted to be a player, to show no one was as good as he was, and he may well have been right.”

Burke’s lobbying career began in 2000, after he split the party’s Right wing, temporarily dealing himself out of power. He went into partnership with one of his ex-ministers, Julian Grill, when Labor won the state election, and they soon had an impressive list of mining companies and developers as clients. Before long, he had become the go-to man for anyone in WA who wanted something done, and he was making a fortune in fees. It certainly helped that he had put so many politicians and public servants in their jobs and that many others believed he would be able to do the same in the future, but people also found it hard to turn him down.

“He was very persuasive,” his old mate Norm Marlborough confessed to the CCC, adding (on another occasion), “I just couldn’t say ‘No’ to Brian.” The two had been friends for 30 years by the time Norm finally became a cabinet minister in 2006 and started giving Burke the inside track on government business via a dedicated mobile phone that Burke insisted be their little secret. By then, unknown to either man, the CCC had started taping all Burke’s phone conversations and was listening in.

BURKE: You don’t need anyone else to know you’ve got the phone, mate.

MARLBOROUGH: Yep.

B: Promise me?

M: Absolutely, done deal.

B: It’s in your own interest, Norm.

M: Yep.

B: You just keep the number and I’ll ring you when I need to get you and you can ignore it or turn it off, whatever you like, but the main thing is, you don’t tell anyone else the number. If they see you with two phones, just say, “Ah, I’ve just got this, this is Roz’s.”

In another conversation on the secret phone, Burke was recorded imploring Norm to use his powers as minister to give a key planning job to Beryle Morgan, a woman thought likely to favour Burke’s developer client.

B: Mate, the other thing is, you're not going to let me down on Beryle, are you?

M: No. No. Who's Beryle? The girl from um, uh, Busselton?

B: Yeah.

M: No, of course I'm not.

B: Mate, it's just important to me.

M: Mm.

B: If I can't be seen, uh, but mate, she's a fucking good appointment.

M: No, no, no, no, no ...

B: This is the first person I've ever recommended to you for appointment anywhere.

M: Yeah, oh mate, it's a done deal.

B: Mate, mate, mate, it is just, believe me, it is just so important on about 15 different fronts.

It was this conversation that landed Burke with the \$25,000 fine, because he denied on oath to the CCC that he had asked Marlborough to appoint her. "I wouldn't have done that," Burke protested, "because I would not have thought that was the right thing to do."

"That's the sort of thing you would never ask him to do, appoint somebody as a favour to you?" Burke was asked. "Not as a favour to me," he replied confidently. "That's absolutely right."

Marlborough was also found guilty of lying to the CCC, and fined \$12,000. But he had been forced to resign from the cabinet and parliament long before that, as had two other state ministers, one federal minister, two state MPs and three senior public servants. One such public servant was Nathan Hondros, former chief of staff to a state fisheries minister. Hondros was in the dock with Burke during the latest corruption trial. Burke was accused of getting hold of a confidential policy document on the pearl-fishing industry by promising to help Hondros get preselection for the ALP as part of a "dream team" of candidates. Hondros was accused of handing over the document.

The charges, which in Burke's case carried a maximum jail sentence of seven years, were seen as an important test for the CCC, whose legitimacy and heavy-handed methods have come under attack from many quarters. And the fact that they were tossed out of court by Justice Michael Murray will undoubtedly pile yet more pressure onto the watchdog. "The CCC has hardly won a case in its history," says JJ O'Connor, a powerful former union leader who is not normally regarded as a Burke supporter. "It has done nothing about organised-crime bosses, it hasn't gone after them, and I'd like to know the cost of getting Brian Burke and Norm Marlborough."

"It's just a star chamber, a witch-hunt," says Kevin Reynolds. "Some of the public servants they've gone after are suicidal. And they destroy people financially. Even if you're not guilty or they withdraw charges, there's no cost orders, no compensation." Julian Grill's house was also bugged by the CCC, which allegedly allowed the watchdog to hear everything that went on, including intimate exchanges between him and his wife. "It's sickening, it's like East Germany," Reynolds complains.

There is no doubt that the CCC is hugely expensive, with an annual budget bigger than WA's Office of the Director of Public Prosecutions, which prosecutes all criminal cases in the state. It also has extraordinarily draconian powers to tap phones, command appearances and take evidence in secret. But Jim McGinty, who was attorney-general in the government that introduced it, is adamant the CCC is justified.

"It has stopped a return to the 1980s in this state. It has certainly put a stop to Brian Burke's lobbying activities. I think that's good. Left unchecked, Burke's corrosive influence would have corrupted the process of government completely. People would have known they could get things done without due process."

"WA operates on the old mates system and networking," says Maumill. "The state works on who you know and who can get things done for you. Is it dangerous for our democracy? Is it healthy? I don't know, but I don't know how you stop it. The whole state runs on it, Australia runs on it."

So will the CCC really stamp out this way of doing business and would the Independent Commission Against Corruption in New South Wales turn up similar evidence against the Right of the ALP if it too used phone taps and possessed such powers? Would similar bodies in other states also reveal corruption of the body politic?

It's easy to say WA is out on its own: it's the Wild West, a law unto itself; they do things differently over there. But Burke's biographer, Quentin Beresford, doesn't buy that line of argument. It's much the same across Australia, he says, citing the sacking of Wollongong City Council in 2008, regular scandals involving the NSW ALP and planning decisions on mining or big development, as well as the closeness of business and politics in Tasmania. "It happens wherever there are small groups of decision-makers, big amounts of money and powerful personalities who can exploit their connections. I think corruption of the political process is much more prevalent in Australia than the public are prepared to imagine."

The difference, perhaps, is that the process in WA is far easier to hijack, because the circles are much smaller and the networks much tighter. And because Brian Burke was simply the best. Better even than Graham Richardson, who is still profitably plying his trade as a lobbyist all over Australia. **M**