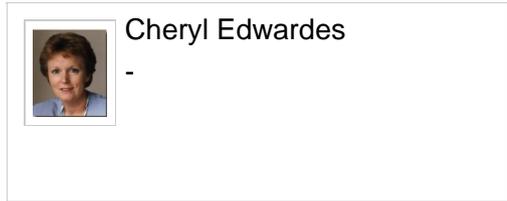


Perth barrister to investigate SECWA's purchase of coal from Western Collieries in 1989



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A Perth barrister has been appointed as a special investigator to inquire into SECWA's purchase of additional coal from Western Collieries in 1989.

Attorney General Cheryl Edwardes said Mr Roger Davis, a member of the Independent Bar, had been appointed to investigate the transaction in line with a recommendation in the report of the Western Australian Royal Commission into Commercial Activities of Government and Other Matters.

In April 1989, SECWA purchased additional coal from Western Collieries. At that time, Western Collieries was owned by Rothwells. It was later sold to Wesfarmers Limited.

The Royal Commission report (Part 1, Vol 5) stated: 'The Commission has gathered considerable material but has not had time to fully investigate the allegation that is central to the speculation, namely, that the contractual obligations were entered into not primarily to meet the power generation needs of SECWA but, rather, to enhance the value of Western Collieries for the ulterior purpose of increasing its sale price and hence the money available to the provisional liquidators of Rothwells.'

"The inquiry will examine the question of Government influence on SECWA in relation to the additional coal purchases," Mrs Edwardes said.

"It must be stressed that the Royal Commission did not suggest any involvement by Wesfarmers in these matters and the Government has no intention of calling into question the validity of the coal contracts between Western Collieries and SECWA."

Mrs Edwardes said Mr Davis - who was one of the counsel assisting at the Royal Commission - would carry out the investigation and report whether there had been corruption, illegal conduct or improper conduct in respect of the 1989 transaction.

Mr Davis, as special investigator, would have the powers and protection which applied to Royal Commissions of Inquiry.

The inquiry was scheduled to run for 14 weeks.

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