

Branch stacks and smokestacks

Insiders say Wollongong Council's problems began in an epidemic of preselection rorts, writes **Linton Besser**.

Munir and Valerie Hussain joined the labour movement in the early 1990s for all the right reasons, inspired by the working-class ethos that coursed through the Illawarra. The pharmacist and his wife now say they were naive.

For years, the couple, who live in Balgownie, worked tirelessly to support their Labor candidates – often personal friends – at elections to all three levels of government. They staffed booths, organised branch functions and hosted fund-raisers. They were introduced to visiting luminaries as senior party members and they donated thousands of dollars towards what they thought was the good of the party.

"When we joined we had rose-coloured glasses," says Valerie. "We were not part of any faction. We had heard of the factions but didn't know anything about how deeply entrenched they were."

In 1993 the region was given a new federal member, Stephen Martin, who moved to the seat of Cunningham in a boundary redistribution. He replaced the staunchly left-wing Stewart West.

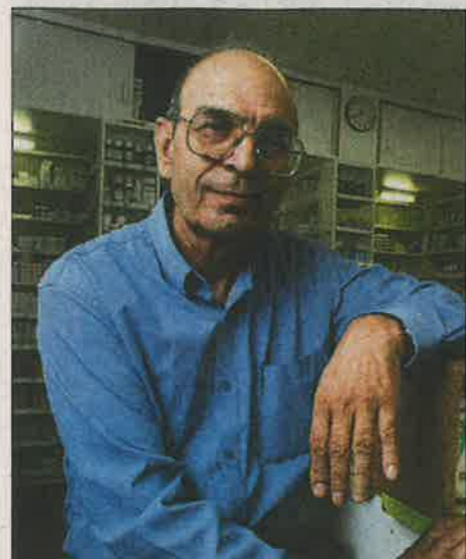
"We had such great trust and admiration for Steve Martin," Valerie says. Uninitiated in the factional wars that had dominated sections of the party, the Hussains did not think much of the fact that Martin had come from the Right. But over time, the light on the hill began to dim. Eventually, it went out altogether.

"It was very bitter," she says. "We were shocked at what actually goes on. We were shocked by these people that we had thought so much of – and how nasty it all got."

THE Hussains were not surprised when the Independent Commission Against Corruption this week said systemic corruption had wrecked the Labor-run Wollongong City Council beyond repair.

A key figure, the council executive Joe Scimone, was revealed to have been appointed to a \$200,000-a-year position in a department governed by his long-time mate, Joe Tripodi, the Ports and Waterways Minister. ICAC cleared Tripodi of involvement.

Scimone, a four-time campaign strategist for Stephen Martin, was also close with the current Police Minister, David Campbell. Some of the developers hauled before the Independent Commission Against Corrup-



Munir Hussain ... naive. Photo: Kirk Gilmour



Valerie Hussain ... stymied. Photo: Sylvia Liber

by the Right swept through the Illawarra and south-west Sydney. Almost 8000 people joined the NSW Labor Party between February and December 1996, which was roughly equivalent to 30 per cent of the membership.

The numbers were stark. In Berkeley, 16 out of 93 applicants who joined the party over three days in 1996 were bona fide. The same year in Warrawong, 227 new members arrived in just four days. After an audit three years later all but nine of these 227 were ejected from the party.

In Mount Keira, 175 people were recruited to the branch but only eight were eligible. Notes provided by a former member of the credentials committee that oversaw this recruitment drive show all 175 recruits were



Denials ... the Ports Minister, Joe Tripodi, and Wollongong MP, Noreen Hay, say they played no part in branch stacking. Photo: Dave Tease

Illawarra kept coming. Numerous sworn statements alleged pervasive branch stacking across the region. In 2002, the unions demanded the national executive hold an inquiry into the party's activities in the Illawarra.

"During the 1999 Wollongong local council preselections, the NSW head office was forced to deal with over 500 applications," the unions' complaint to head office in Canberra reads. "However, the stackers were not dealt with and in some cases were rewarded by being preselected to local government positions ..."

Documents obtained by the *Herald* show Campbell, Hay, Scimone, Tripodi and Jonovski all participated in or turned a blind

Fisher carried out a cross-factional audit of Wollongong and concluded "there is no real doubt" of the extent of the stacking.

Roozendaal vigorously defends his conduct: "At all times I acted in accordance with the party rules and refute allegations of inappropriate behaviour ... I instituted the toughest membership reforms in the country to stop branch stacking."

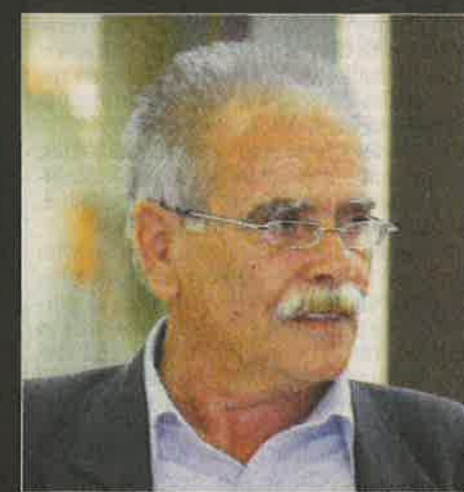
Tripodi says: "I had no involvement in the Illawarra branches in the late 1990s other than as a member of the NSW ALP credentials committee which processes membership applications from across the whole state. The Mount Keira applications were processed as

The inquiry came too late to prevent disaster. The union movement threw its support behind an independent candidate in the Cunningham byelection in 2002, splitting the Labor vote, and directed preferences to the Greens candidate, Michael Organ, who took the seat from Martin.

BY 1999, Valerie Hussain had experienced enough of the party to know she needed Stephen Martin's blessing to run as a candidate in a preselection. But she says he ordered her to withdraw from the race for the council and allow the incumbent, Janice Kershaw, a member of the ALP administrative committee, to remain unopposed. "I said I feel strongly about it," Hussain said. "If people choose her that's fine, but people should be given a choice."



Joe Scimone ... key figure. Photo: Wayne Venables



Kiril Jonovski ... accused. Photo: Andy Zakeli

the rorts. It sparked a round of hearings by committees all dominated by the Right. By the time the Hussains had compiled their evidence, a 26-page dossier, it was too late: "We knew it was a joke from the start," Valerie Hussain says.

The mud from the ICAC hearings won't wash off easily. Campaigning and buying memberships cost money. In 1999 the four Illawarra state government MPs raised just over \$70,000 between them. Last year the current crop – Hay, Brown, Campbell and the Shellharbour MP Lylea McMahon – raised well over half a million dollars, much of it from developers. At the last council elections, at least \$127,000 was raised for the winning candidates.

Fay Campbell, a long-serving member of the Ports branch, believes the dysfunction

tion had donated heavily to the illawarra band of right-wing parliamentarians: Campbell, the Kiama MP Matt Brown and the newly elected Noreen Hay.

Morris Iemma declared on Tuesday that the council was to be sacked. But rather than allow an early election he installed administrators on a four-year term. Andy Gillespie, an Australian Workers' Union branch secretary, says there is one reason: "If they were to go to a vote, the people of Wollongong would exact such a price on the ALP that it would be decimated."

If he is right, it has been a heavy fall for a city with a working-class pedigree such as Wollongong's. Generations of Wollongong families have sworn allegiance to unions, to the plight of the ordinary worker and, over time, to the Australian Labor Party. By and large, the Illawarra became a sea of red.

In the 1990s a branch stacking campaign

supported in writing by Campbell, then Wollongong's lord mayor. The list was moved by Scimone and seconded by Tripodi.

These stacks formed part of Kiril Jonovski's push for council in 1999. Jonovski is now accused of corruption by the ICAC and George Harrison, the lord mayor who was forced to resign after giving false evidence in the Supreme Court.

In 1998, a member of the Warrawong branch accused the then assistant state secretary, Eric Roozendaal, who is now the NSW Roads Minister, of ordering a branch stack in 1996 to influence a preselection. In a sworn statement to Labor's review tribunal, he wrote: "I asked Roozendaal, 'How many members do you want: 100?' He said 'More'. I said 'Two hundred?' Roozendaal said, 'More like 300?' I said, 'OK'," Roozendaal denied the conversation took place.

But complaints from members in the

'We were shocked by these people that we had thought so much of - and how nasty it all got.'

eye to the rorting of branch numbers in the late 1990s and that for some years Roozendaal, then state secretary, and his assistant, Mark Arbib, failed to act.

THE stacking continued apace in Warrawong and Mount Keira in 2000 and 2001. "In some cases vacant blocks of land and abandoned houses were listed as addresses. In one case the person actually lived and worked in Queensland, whilst in another case the person was housed in June Gaol," one document says.

The party had to act. In November 2002 the former NSW Supreme Court judge Bill

per the party rules at the time but these rules have since changed to forbid large numbers joining branches at the same time."

Arbib, now a federal senator-elect, says he played an important role in implementing the Fisher inquiry's recommendations. "During my term, branch memberships in the Illawarra were frozen and over 500 members were purged from the party."

Hay told the *Herald* she took no part. "These are old allegations which I strenuously deny," she says. "If anyone peddling this nonsense has an allegation or evidence they should take it to the relevant authority."

me, but people should be given a choice. Martin declined to comment on the allegations, saying "my former political life is well behind me".

"I have been an interested reader [in the Wollongong affair]."

In June 1999, as Hussain and her husband began door knocking the list of branch members, they discovered that more than 35 people had never attended a branch meeting, contrary to party rules. A sworn statement by a Bellambi woman details how the branch attendance register was allegedly brought to her home for her to sign.

Hussain says she was stymied at every turn in her attempt to run for preselection. As the couple took up the fight against stacking, they made themselves a target. In February 2001 a fellow branch member brought a charge against Munir Hussain for writing the four letters to the *Illawarra Mercury* about

the Depto branch, believes the system exposed in the local council had its beginnings in the rorting of preselections over the past decade.

"These problems we are now faced with, they were born from the branch stacking that went on," she says. "The branch stacking promoted people into the positions that they hold today."

She says the campaign was carried out under orders from the NSW ALP head office in Sussex Street: "They knew it was going on [because] I told both the Left and the Right."

The secretary of Wollongong's powerful South Coast Labour Council, Arthur Rorris, goes further. "At every turn, we have spivs acting as lobbyists for developers who have the expectation that the union movement on the South Coast will just stand back because they seem to have the imprimatur of the political machine in Sydney."

They took 6 people 2 years to make. Hurry, hurry, hurry.



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