



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

Hansard 18 August 1999

TAB PRIVATISATION

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (6.53 p.m.): This evening, this debate is all about standards, it is all about cronyism and it is all about contrasting exactly how this Labor Government adopts proper processes in relation to tendering and how the coalition does not understand such matters as proper processes and proper tendering. In this debate in relation to the TAB, we have been looking at how this Labor Government put in proper processes and how we went through a tendering process to put in place a probity auditor to ensure that the whole sell down of the TAB was conducted in a manner that was all fair and aboveboard. We also put in a process to ensure that the selection of the joint lead managers for the TAB sell down was undertaken on a competitive tendering basis—again, to make sure that it was all done up and aboveboard. Deloitte has been appointed as the probity auditor. Of course, members would know that Wilson HTM Ltd and Morgan Stockbroking, along with Warburg Dillon Read, have been appointed joint lead managers. Of course, members would recall that Wilsons and Morgans were two of the companies—

Mr BEANLAND: I rise to a point of order. Mr Speaker, I draw your attention to the time. Last evening—

Mr SPEAKER: I control the House, not you. There is no point of order.

Mr HAMILL: Wilsons and Morgans were two of the joint lead managers who did such a very good job for the State of Queensland in the sell down of Suncorp-Metway.

However, how does one do business with a coalition Government? One does a bit of lobbying. One gets in the door to the Treasurer on the quiet and one makes secret submissions that deliver very fat commissions. With respect to the Suncorp-Metway sell down, was there a competitive tendering process for the joint lead managers? No way! On 26 August, an offer document turned up in Treasury from J. B. Were, Morgans and Wilsons. Guess what? It took only three days before the contract was signed—three days to evaluate the offer! What did the offer deliver? It offered a contract with a management fee for \$1.5m. It also provided in that contract giving the company \$600,000 if they were not used for the second part of the sell down. Last year, when I was having to deal with the second part of the sell down, I found out that, because of the contract that the Opposition signed, if we did not use the same joint lead managers that they did, it was going to cost us \$600,000.

But there is more. The contract provides legal fees and travel expenses. The contract also provides for the joint lead managers to be able to allocate around \$30m worth of broking business. That is not bad money for mates, is it? That is not bad money when one does not have a competitive tendering process. What is more, the contract was signed by the former Under Treasurer. This is a multimillion-dollar contract. The Under Treasurer, Mr McTaggart, could sign a contract on his own account up to only \$250,000. For contracts of more than that amount, he had to get the permission of the Treasurer. However, this contract was worth multimillions of dollars. It needed Executive Council approval. So the former Premier, Mr Borbidge, was up to his ears in this contract, which did not require a tender. The Parliamentary Secretary to the Treasurer, Dr Watson, knew all about it.

The Opposition talks about a conflict of interest. Under the coalition, it is always a confluence of interest. I want to know: who were the mates? Why did they not have to tender? Why did they get an open run? Why did they get a secret contract through secret lobbying? Yes, there are very serious questions to answer. I table the document.

Time expired.