



Speech by

Mr DOUG SLACK

MEMBER FOR BURNETT

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OVERSEAS VISIT BY DEPUTY PREMIER

Mr SLACK (Burnett—NPA) (11.50 a.m.): Last week, the Deputy Premier tabled a report on his visit to South Africa earlier this month. It made interesting reading. It is notable for what it fails to say rather than for what it says. It confirmed for us that we were right to be critical of this visit.

We recognise that South Africa is an important source of investment and trade for Queensland, which benefits our economy and means jobs for Queenslanders. And we believe that the Deputy Premier, as Minister for State Development and Minister for Trade, has an obligation—in fact, a duty—to travel to promote and encourage trade and investment. We also recognise—and applaud—the fact that the Government, while in Opposition, gave bipartisan support for our trade initiatives. In particular, the now Premier was very supportive and understood the benefits for Queensland and Queenslanders from trade missions. I thank him for that support and pay tribute to his objectivity.

When I was Trade Minister, I made several visits overseas to promote Queensland and to maximise business opportunities in both established and new markets. But these visits were properly planned and effectively organised. Departmental officers organised the schedules, including appropriate contacts for an official ministerial visitor representing Queensland. They prepared a comprehensive itinerary. It was always a substantial schedule, and it often involved six engagements a day. To maximise the value of those visits, I invited industry representatives and business participation and included the bilateral trading organisations, where such an organisation existed.

The Opposition would like to be in a position to continue the bipartisan spirit of the previous times where the Deputy Premier's trip to South Africa is concerned. But in all conscience, we cannot. From the Deputy Premier himself in this place last week we learned that his visit lacked official input, that it was exclusively focused and that, in the face of calls for greater representation from business and input from the Australia-Southern Africa Business Council, he refused to travel with any business representatives other than the managing partner of the Brisbane office of Deloitte Touche Tohmatsu, Mr Giam Swiegers. The trip involved his old Inala AWU friend, Wayne Goss, former Premier and a Labor mate who is a consultant to Deloitte Touche Tohmatsu. The implication is obvious. This was a visit organised by Deloitte for Deloitte—and Wayne Goss. The Deputy Premier conceded this point in his statement last week when he referred to "our presentation".

It is well known that there has been a marked increase in business migration and investment from South Africa into Australia, including Queensland, from which Deloitte Touche Tohmatsu gains financial benefit. And more power to them for that! As the Deputy Premier noted in his statement, South Africa has displaced Taiwan as Queensland's chief source of skilled business immigrants. Accompanying this is the dramatic increase in investment from South Africa into Australia. In 1996-97, approved investment amounted to \$0.4 billion. In 1997-98—one year later—this figure was \$3.4 billion, representing nearly a ninefold increase. Those figures are from the statistics of the Foreign Investment Review Board.

We should also note that, contrary to the Deputy Premier's claim, a large proportion of this investment is, in fact, coming to Queensland. Foreign Investment Review Board figures put approved investment at \$1.2 billion—the largest of any State. The facilitation and professional fees associated with this magnitude of business are substantial and, no doubt, very lucrative for South Africa's largest accounting firm, Deloitte Touche Tohmatsu, and, in turn, very lucrative for their Brisbane office,

particularly when they see so much potential to encourage more. And all the better if this can be organised under a nice cosy arrangement with the backing—and on-the-ground support—of the Deputy Premier!

The Deputy Premier made this observation in his statement—

"Let me state at the outset that this was a trade mission radically different from any other in which the Government has been involved. The primary mission was not to identify market sectors for Queensland goods and services, although some were identified through discussions with trade officials—and I shall refer to them later in the report—but rather to identify companies which had the capacity to invest in Queensland."

A lot is revealed in this statement. I note that there were no meetings with trade officials listed in the itinerary tabled by the Deputy Premier. Perhaps he would like to tell the House about those meetings. The focus of the Deputy Premier's interest—aside from a light program and the happy coincidence of being in Cape Town on the day of the Australia-South Africa Tri Nations Rugby match—was in the area which would have been the most beneficial to the exclusive interest of Deloitte and Wayne Goss. The itinerary shows a total of 12 engagements in seven days, three of them being presentations to Deloitte Touche Tohmatsu figures, their clients and potential clients, and two of them meetings with the same South African farmers organisation. The remaining seven other listed engagements, in a seven-day trip, significantly do not include meetings with South African Ministers, Government officials, embassy people, Austrade or trade personnel. It is hard, under these circumstances, to draw any conclusion other than that something is amiss.

No wonder the Business Queensland newspaper raises questions. No wonder the Australian-Southern Africa Business Council questions the commercial value of the trip. No wonder the South African High Commissioner was embarrassed to first hear of the trip by chance, 10 days before take-off, when he paid a courtesy call on the Premier. It was the wrong visit to the wrong people at the wrong time. And on top of this, the Deputy Premier is responsible for the South East Queensland Regional Forest Agreement—or should I say "disagreement", because that would be a better word to use—and should have been here at this critical time. Had he stayed home, he could have briefed himself at the Austrade Southern Africa seminar, which was held on 12 August—when he was away—an event that would have provided him with excellent background for a more timely visit to South Africa later.

Perhaps it is, as other sources around are saying, that with the net bet scandal in full flight, with the AWU cut out of the action in Queensland and with the Budget in strife, the Deputy Premier has formed the impression that the Government is shot and that he might as well make hay while the sun shines. Or perhaps it is that Deloitte and Wayne Goss approached the Deputy Premier and said, "Have we got a deal for you!"

In his statement last week, the Deputy Premier said, "I stress Deloitte Touche approached us with the proposal." I have no doubt that they convinced each other that it could be sold on its benefits to Queensland and Queenslanders. I have no doubt that the member for Woodridge, in promoting Internet gambling, saw opportunities for financial gain. We have an investigation under way now as to the propriety of that deal and the stood down Treasurer's part in it. The fact is that both exercises were stupid, and both smell—in this place, in the community, and in the business community.

I would like to quote from a statement made by the national chairman of the Australia-Southern Africa Business Council, Clive Cooke, about Mr Elder's mission. In a letter to the editor, he said—

"Whatever the outcome of this trade mission for Jim Elder and Deloitte, a very significant opportunity for Queensland exporters has been lost.

Once again, there is simply no excuse that the first senior ministerial visit (to South Africa) should exclude those who are able to contribute greatly to the economic wellbeing of this state."

As I said earlier, the Deputy Premier mentioned in his statement that most of the investment that is coming into Australia from South Africa is coming to—

"... Sydney or Melbourne or to a lesser degree, Perth, which is some five hours closer to South Africa than the east coast. Our aim on this trip was to introduce them to Queensland as an alternative."

That was a completely misleading statement. I quoted earlier the FIRB figures. In 1997-98—our last year in Government—the Queensland component of the investment that was approved by that board was the sum total of all those States put together: Western Australia, New South Wales and Victoria. That indicates to me quite clearly that South Africa's principal focus has been on Queensland and is on Queensland.

Time expired.