



Speech by

**Mrs LIZ CUNNINGHAM**

**MEMBER FOR GLADSTONE**

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Hansard 17 August 1999

**INTERACTIVE GAMBLING (PLAYER PROTECTION) AMENDMENT BILL**

**Mrs LIZ CUNNINGHAM** (Gladstone—IND) (10.58 p.m.): Before addressing the Interactive Gambling (Player Protection) Amendment Bill, I wish to clarify a couple of issues because the opportunity was denied earlier. Earlier we dealt with a censure motion concerning one of the members involved in the issue that generated the Bill before the House tonight. It was said that the censure motion should not be debated until the inquiries were finished. On the surface, that statement has merit. However, I cast my mind back a couple of years ago, when several inquiries were going on involving members of the then Government, the current coalition. Censure motions and votes of no confidence flew around this place hell, west and crooked, and it made no difference that inquiries were going on. The hypocrisy I saw tonight was unbelievable.

The previous speaker said that the Premier and the other people involved in this issue are not trying to hide anything or cover up anything. I hope he is right. However, it concerns me that there is one fundamental issue, quite apart from what is contained in this Bill, that has not yet been answered. Why are we dealing with this legislation as an urgent Bill? Why were the Standing Orders suspended so that this Bill could be passed through all stages tonight? What is the need for that?

The Premier cannot say that the issue has to be fixed up urgently to preclude further complications. He has pre-empted his intention to table the Bill; therefore, the implications of his Bill are known in the public arena and there can be nothing about commercial in confidence or commercial sensitivity. I cannot identify one reason why this Bill is being dealt with emergently and, unless the questions that I will ask later on can be answered appropriately, I am not going to support the Bill. Yet a lot of what is in the Bill is good. The community would say, "Good. Maybe that is a step in the right direction." But why are we dealing with it with such haste and why are members not being given an opportunity to properly understand the implications of the Bill?

I do have some questions to ask the Premier, although it is concerning about how they will be dealt with, because the Premier is not here. That is fine; he has a lot of responsibilities, but there are not any officers, either, taking notes on questions that may be raised so that the Premier can subsequently respond to them.

**Mr Sullivan:** Yes, they are. They are in their offices at the monitor. If you wanted a briefing, you could have done what you have done for the last four years.

**Mrs LIZ CUNNINGHAM:** How was I supposed to get a briefing. I assumed that this Bill, which is not an emergent Bill—

**Mr Johnson** interjected.

**Mr DEPUTY SPEAKER** (Mr Reeves): Order! The member for Chermside and the member for Gregory will cease interjecting.

**Mrs LIZ CUNNINGHAM:** In response to the interjection from the member for Chermside, I point out that this Bill was introduced today. Normally a Bill is tabled and members request a briefing in the 13 days that it lays on the table. We were denied that opportunity.

**Mr Sullivan** interjected.

**Mr DEPUTY SPEAKER:** Order! The member for Chermside will cease interjecting.

**Mrs LIZ CUNNINGHAM:** Before the Bill was introduced, the suspension of Standing Orders was moved so that the Bill could be debated and pass through all stages today. It was pre-empted that the Bill was going to go through in a hurry. The message was there. Do not tell me there were no attempts made; the message was made clear beforehand. In the second-reading speech, the Premier said—

"It is not a Bill I could ever see those opposite even understanding, much less introducing."

I reiterate: we are not being given a chance to understand it.

In regard to the matter being investigated by two bodies, that is the Auditor-General and potentially the CJC, I will not be surprised if there comes back a report that says nothing illegal was done, that is, that the letter of the law was adhered to. However, the greatest disappointment in the community would be if it was found that the spirit of the law was not taken into account. In spite of all of the rhetoric about keeping separate the work of Government, the work of elected members, from benefit, whether it be financial benefit or other benefit—there have been cries constantly in this House about openness, accountability, etc.—it is the betrayal of that spirit of accountability that members in this community and in my community find difficult to accept.

In the time that has been available to look at the Bill, I think that it achieves several things. It attempts to remove the three designated members of the Labor Party who stood to gain a significant benefit from the interactive gaming licence from being able to achieve that benefit. However, the Bill does not address the process if, indeed, the process was flawed. The first objective information that we will receive if both entities are allowed to do their job will be when the Auditor-General or the CJC hand down their reports. However, I read with great concern an article in the Courier-Mail of 31 July. It said—

"Auditor-General Len Scanlan has expressed reservations over the propriety of approving three Labor Party figures as part-owners of Queensland's first Internet casino.

Mr Scanlan, who yesterday advised Premier Peter Beattie he would prepare a full report to Parliament on the controversy within weeks, told The Courier-Mail he was concerned about 'a real and a perceived conflict of interest'.

'And they are both pretty serious ... and I'm going to get to the bottom of it,' Mr Scanlan said."

Later on the Premier, when talking about the Auditor-General, said—

" 'He's a person of the highest integrity. I want the clear perception that (this inquiry) will be done properly,' ... "

I think every person who is looking for the truth in this matter would endorse that sentiment.

I am not a great supporter of the Courier-Mail. I have seen its reporting. I have seen events in this Chamber subsequently reported which make me wonder whether we were in the same building. Again, an article in the Courier-Mail says—

"Within hours of the paper hitting the streets, the Government was playing a familiar role; damage control."

That applies to whoever is in Government, irrespective of which party. The article continues—

"First the Premier announced that the Auditor-General, Len Scanlan, would review the process that lead to Gocorp getting the licence. This could be the start of an ethics showdown between Scanlan and the Government. If the experience of Australia's best-known auditor-general, Victoria's Ches Baragwanath, is anything to go on, Scanlan should be a worried man. A string of negative reports by Baragwanath on dodgy practices in the Cain, Kirner and Kennett governments led to Baragwanath's early retirement and the effective dismantling of the traditional watchdog powers of the auditor-general. A finding by Scanlan that bad practice was present in the Gocorp matter will be accepted by the Government, as it has no choice. But what of the future for Scanlan's office?"

I would like an undertaking or an assurance from the Premier that—and he may feel insulted by this—given the sensitivity of the issues that are being looked at, there will not be any repercussions to either entity, that is to the Auditor-General or the CJC, should a negative report be handed down. Until we see their reports, we will not know whether this Bill is appropriate or whether the appropriate legislation proposed by this House should also address the process, that is, whether Gocorp's licence should be revoked and the full reconsideration of the allocation of this first licence reviewed.

Indeed, again the Courier-Mail, usually a firm supporter of the Labor Party, made these comments on 31 July—

"His"—

that is Mr Beattie's—

"initial response was to invoke a retrospective legislative ban on certain classes of people from benefiting from the issue of particular government licences. The solution raises more questions than it answers."

Again, I reiterate that, because of the lack of time to scrutinise the Bill, we are dependent on the bits and pieces that we can pick up around the traps. The article goes on—

"As the Local Government Association has pointed out, why should local councillors be prohibited from holding certain types of shares whose value they can do nothing to influence? Mr Beattie's proposal is designed simply to catch the three potential beneficiaries of this licence but it catches in its net literally thousands of others who should not be caught. It is an assault on the civil liberties of people who have demonstrated an interest in the political process.

The real answer to the particular problem would be to reverse the Treasurer's decision to issue this licence.

...

The Premier needs to reconsider his answer to the problem. The licence in this case should be revoked and the ethical responsibilities of MPs and their associates set out in more detail. And MPs should be made accountable for breaches of the rules they must obey if they want to represent us in the Parliament."

Another source again said—

"Irrespective of the Auditor-General's findings later this month, the market place and the people of Queensland can never be fully satisfied that the approval process was above board. The only way to restore public confidence is to revoke the licence and start again from scratch."

Although the other applicants for this licence lodged their applications, according to information I have, a couple of months after Gocorp—Gocorp's application was lodged at the end of 1998 and the other applications came in at the end of the first quarter of 1999—I cannot help but believe that those applicants would feel significantly aggrieved, not only because they lost out on the first licence but because now the process could be called into question. If I had an expression of interest that could be interpreted as having not received fair and just consideration, I would certainly be feeling very aggrieved.

I would like the Premier to respond to the memo that has been circulated. It is from his office. It is under the hand of his chief of staff, whom I have found to be a very honourable person. It states—

"The Premier has requested that you urgently have an appropriate staff member discuss Internet gambling with Bill D'Arcy MLA, who has raised some concerns with him."

I would like the Premier's comment on the timing of that and the extent of the discussions with Bill D'Arcy. At the moment it appears that the Premier is standing back and saying, "I am not involved", yet his level of involvement and the extent of his knowledge are imperative to the confidence of the community in the transparency of the process.

I have some questions relating specifically to the Bill. Under the heading "Reasons for the Legislation", the Explanatory Notes state—

"The Bill contains two parts. Firstly, it contains provisions to revoke the licence of GOCORP Limited if Navari Pty Ltd, Topki Holdings Pty Ltd or disqualified persons continue to have an interest in GOCORP Limited and provides that no benefit is to be received in disposing of that interest. Secondly, it introduces a Regulation making power to prevent disqualified persons from having an interest, directly or indirectly, in interactive gambling licensees."

If this legislation addresses the problems that have been raised by this incident and presumably other similar situations, because this precedent has raised the concerns to the Government, why do we also need the regulation making powers included? What is the purpose of the regulation making powers when the problems have been clear and evident and could be addressed in the primary legislation?

A previous speaker spoke about consultation in relation to this Bill. The Explanatory Notes state that "the Bill has been drafted to reflect the significant community concern", but I think part of the significant community concern is the core issue. Why in the first instance did a Treasurer allocate a licence to an entity with three significant Labor identities in it? I remove the names, because it does not matter what the names are. The principle remains the same.

If the coalition were in Government and it did the same thing, all hell would break loose—and justifiably so, because the community does not want to see members of Parliament benefiting, overtly or covertly, from the knowledge of legislation that is in the House. That is not to say that they should not have business interests, but they certainly had an advantage in that one of the previous members of Parliament had knowledge of the Bill, which became an Act of Parliament. The sitting member also would have an advantage. If there was not a material advantage, there would certainly be a perceived advantage. This Bill does not address all of the community concerns at all.

Another question I have relates to page 3 of the Explanatory Notes. It is stated—

"Any consideration received from the disposal of the interest that is in excess of the consideration given in acquiring the interest is forfeited to the State."

That begs another question. In this whole scenario, which people in the community see as improper, Treasury is expecting a windfall. Might it get a windfall? I am not saying that it is badly handled or that there was any alternative—there has not been time to get advice on whether there are any alternatives—but why would Treasury be expecting a windfall? Clause 5(4) of the Bill states—

"A regulation may—

- (a) prohibit a disqualified person from having, or otherwise limit the extent to which a disqualified person may have, a beneficial interest in a licensed corporation;"

The intent of this Bill was to prohibit inappropriate persons from being involved in a licence. It prohibits a disqualified person from having a beneficial interest in a licensed corporation, but it states that it will not only prohibit but would otherwise limit the extent to which a disqualified person may have a beneficial interest. How can a disqualified person have the extent of their benefit limited? It should be nonexistent. I would like to know what that clause means.

I reiterate clause 5(5), which states—

"A regulation ... may also provide for any of the following—

- (a) stating the disqualified persons to whom the regulation applies;"

Does that mean that other members are going to be named specifically or will it be other entity groups that are named? Again, clause 5(5) states—

"A regulation under subsection (4)(a) may also provide for any of the following—

...

- (c) requiring a disqualified person to dispose of a non-complying interest, or otherwise ensure that the person ceases to have a non-complying interest, within a stated time;"

What does "or otherwise ensure that the person ceases to have a non-complying interest" mean? They are either disqualified and therefore have no interest or they are not disqualified, in which case we should not be limiting the interest that they can have. There are some areas that are not clear in the way that they have been set down and, again, there is no time to get clarification.

I raise a question relating to format. Clause 4 proposes to insert section 261A to 261C. In the Act, section 261 relates to delegations. So the cancellation of Gocorp's interactive gambling licence is being put under the heading "delegations". The Act goes straight on to section 262, approval of forms, and section 263, regulation making powers. The numbers could have just been changed. There is not a huge residual of the Act which means that renumbering would be a problem. The issue of the cancellation of Gocorp's interactive gambling licence could have been dealt with as a separate section. It is not a big issue, but it begs the question: if the construction of the Bill could not be done right, then how can we be confident that the implications and the result of the Bill are accurate in their application?

We have not been given time. One of the fundamental questions that needs to be answered is: why is this Bill an emergent Bill? It is retrospective, so there are FLP issues, but sometimes FLPs can be waived because the legislation has a curative effect. But why are we dealing with this as an emergent Bill? Why can it not lie on the table for 13 days so that we get an understanding of it? Why can we not get some feedback from affected persons? Why can we not get to hear what the other members of Gocorp feel about it? Why can we not hear from the other applicants for licences who were denied, from their point of view, natural justice about how they feel about the Bill and the fact that Gocorp is going to have part of its entity removed but still retain the licence?

Time expired.

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