



Speech by  
**Grace Grace**

**MEMBER FOR BRISBANE CENTRAL**

Hansard Tuesday, 24 November 2009

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**INTEGRITY BILL AND COMMISSIONS OF INQUIRY (CORRUPTION,  
CRONYISM AND UNETHICAL BEHAVIOUR) AMENDMENT BILL**

**Ms GRACE** (Brisbane Central—ALP) (4.34 pm): I rise to support the Integrity Bill 2009, which in a way is a product of a government released discussion paper titled Integrity and Accountability in Queensland, which sought public input on how accountability and integrity could be improved and strengthened. The bill puts in place five very important steps to achieve its aims and objectives of improving accountability and integrity. The first of the five steps is to enhance the functions and independence of the Integrity Commissioner. The bill recognises the importance of this unique role and its ability to enhance the functions of our integrity framework. The Integrity Commissioner will become an independent officer of the parliament reporting through the renamed Integrity, Ethics and Parliamentary Privileges Committee, which, I might add, is a standing committee of this parliament made up of both sides of the House. The Integrity Commissioner will provide to members of parliament regular independent advice on dealing with potential conflicts of interest when carrying out our public duties. I for one will welcome any comments the Integrity Commissioner may make to me in the future.

The Integrity Commissioner will be responsible for the administration of the register of lobbyists and, in an Australian first, a statutory regulation of the lobbying industry will be established that will deliver on the government's commitment to place a ban on the payment of success fees to third-party lobbyists. As I said, the ban on the payment of success fees is an Australian first. These are all aimed at providing clear guidelines, high standards and ethical practices while ensuring accountability and sound processes for interaction between government and the lobbying industry. I note that the introduction of this bill does not mean that lobbying is not a legitimate and sometimes necessary business. In a free and democratic country, lobbyists should be able to offer their services to those who feel they require the assistance of lobbyists when dealing with government. This bill sets the guidelines for this business to ensure public confidence in business activities when dealing with government officials.

The bill amends the Public Service Act 2008 to require CEO statements of interest to be provided to the Integrity Commissioner, and a copy would then be provided to the relevant minister. It gives the Integrity Commissioner the ability to identify any non-compliant chief executives.

I believe that the inclusion of government owned corporations within the jurisdiction of the Crime and Misconduct Commission in relation to misconduct investigations is also a step in the right direction. The bill ensures that the use of public resources is subject to scrutiny, as GOCs tend to have quite a large interest in that area. They will be subject to the scrutiny of the CMC, and inappropriate behaviour can be investigated and pursued if necessary. Prior to entering parliament, for many years I served on GOCs. I believe that this is definitely a step in the right direction because, although they do operate under the Corporations Law and other laws, in effect they deal with substantial government resources. I believe they should be subject to the investigative powers of the CMC.

I now wish to turn briefly to the opposition bill, and particularly to comment on the flawed contents of it. Clause 3 of the bill inserts new section 35, subsection (1) of which states—

The Attorney-General must ... advise the Governor to establish a commission of inquiry under this Act into corruption, cronyism and unethical behaviour by the Labor Government of Queensland between 1998 and 2009.

I stress 'by the Labor government'. It goes on to allow the commission to inquire into Sunsuper Pty Ltd. I do not know what part of this argument the opposition does not get. Sunsuper is a regulated, multi-award-winning industry fund. It is a private industry fund. It has absolutely nothing to do with the Labor government. It is not QSuper and it is not part of or regulated by a state Labor government. This is a witch-hunt and an unnecessary indictment on one of the most successful superannuation funds in Australia and a wonderful Queensland business success story. With over \$13 billion under management, one million members and a multi-award-winning business, it is one of the most outstanding performers in the Australian superannuation industry.

**Mr Crandon:** There are one million reasons it should be scrutinised—a \$1 million performance fee.

**Ms GRACE:** As I said, for the benefit of the member for Coomera, who is interjecting, Sunsuper is not a part of the Labor government. The opposition's bill stipulates an inquiry into the activities of the Labor government. So this bill is fundamentally flawed.

The directors appointed by Commerce Queensland currently are Graham Heilbronn, Graham Drummond and Peter Annand; the QCU appoints two directors, Ron Monaghan and John Battams; and the AWU appoints Bill Ludwig. The directors are not appointed by the Labor government and, as I have said before, have nothing to do with the Labor government.

**Mr Stevens:** They have nothing to worry about, then.

**Ms GRACE:** I take the interjection. Then why would the opposition include them in its bill, which requests a commission of inquiry into the Labor government from 1998 to 2009, when those opposite are now admitting that they are not part of the Labor government? It is fundamentally flawed. I served with all of the current directors before entering parliament and I can honestly say that all have acted professionally, diligently and in the best interests of members at all times.

I chaired the board in 2005 and 2006 and was chair of the investment committee just prior to resigning due to my election to this House. The investment committee is made up of all board members who set the strategic direction of the fund when the CIO, the chief investment officer, and staff undertake the investment activities within their delegated authorisations given by the board. They are free to invest where they think in terms of that strategic setting. They can invest in QIC. They can move money around. They can virtually invest where the best interest on members' returns is achieved but they do that within the strategic framework that is set by the investment committee, which, as I said, is made up of all board members.

In relation to the issues raised in the opposition bill, Sunsuper CEO Tony Lally has been constantly in the media—and I have many of the media statements here; I have kept them—stating that Sunsuper had no knowledge of the event, that the Sunsuper investment group had no dealings with the person in question, that the decision to invest in Trinity was made totally independent of any external party and that Sunsuper had no knowledge of the success fee paid until it was made public via the media. This has been stated many, many times in the media. Mr Lally has time and time again strenuously denied any knowledge of the circumstances leading to the payment of a success fee and clearly has stated publicly that the decision by the investment team of Sunsuper was made following a very, very thorough due diligence process. In fact, this investment decision did not even go to the investment committee of Sunsuper—which, as I said before, is made up of all of the board of Sunsuper. As it was within the delegated authority of the investment team, it was they who made the decision.

The whole board, as I said, is on the investment committee—and I think this needs to be stressed—that is, Commerce Queensland representatives and the union movement's representatives. The most important function of a superannuation fund is investment. It was decided many years ago that all of the board members of Sunsuper should be part of this most crucial area of a fund. Recently a Deloitte report which was commissioned by Trinity has totally exonerated Sunsuper and, as recently reported by Trinity chair Brett Heading—

On behalf of Trinity, I offer my sincere apologies to Sunsuper, the board, staff and members for the unnecessary distress and embarrassment brought by this matter.

Ongoing issues relating to this matter should now be a matter for Trinity and not the subject of a publicly funded commission of inquiry included in a bill which specifies that this fund is part of the Labor government. It is flawed in every respect. Other matters in this bill are nothing short of a witch-hunt which, as outlined by the Premier this morning, are matters that can be investigated by the CMC, which has more than enough powers to carry out investigatory functions.

This bill amounts to nothing more than a waste of money. It is unnecessary. It completely lacks any substantial evidence put before this House during this debate to warrant the opposition bill being enacted. In fact, I think the Leader of the Opposition spoke for about 20 minutes and not one scrap of substantial

evidence was put before this House. He had a more than ample opportunity to make a number of statements in support of his bill and he failed in every respect to do so. The member for Gaven got it wrong because the Attorney-General, as the first law officer of the state and not as part of cabinet, is independent when it comes to making decisions about the laws in Queensland. Once again, flawed arguments are being put on the floor of this House to substantiate a bill that is wrong in every respect.

Let us have a look at the other side of the House. On the contrary, the government's bill puts in place genuine measures to bring about greater public confidence in the workings of government and GOCs. This gives Queenslanders what they expect of their government in ensuring higher standards of integrity, accountability, transparency and honesty. I am proud to commend the Integrity Bill to the House and I take great pleasure in not supporting the flawed opposition bill. I commend the government bill to the House.