



Speech by

**Hon. Paul Lucas**

**MEMBER FOR LYTTON**

Hansard Wednesday, 14 April 2010

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## **MINISTERIAL STATEMENT**

### **Queensland Health, Payroll System**

**Hon. PT LUCAS** (Lytton—ALP) (Deputy Premier and Minister for Health) (9.47 am): I rise to update the House on the ongoing efforts to resolve the Queensland Health payroll system difficulties and determine what went wrong. As I set out in parliament yesterday, there is a range of steps in place to provide support to staff who are facing hardship from the payroll transition.

From payroll 1, 1,800 people, I am advised, have been identified as receiving no or little pay. All 1,800 have been subsequently processed. From payroll 2, as at 5 pm yesterday 745 staff have been identified and all 745 have been case managed. Yesterday an additional 118 staff were identified as experiencing hardship and all 118 are being individually case managed and offered support to meet their particular circumstances. Yesterday also saw 243 people who were previously identified having their pay processed. Of course, as people come forward, if there are any further people, we will deal with them expeditiously as well.

Looking forward to improve the outcome in the future, we need to be clear about where the shortfalls are. I am advised that the problems we have faced since going live are unrelated to the technical hurdles that delayed the project prior to the 'go live' sign-off. Queensland Health appears to have badly underestimated the clerical task of inputting data into the system. For that, Queensland Health and I, as minister, have offered apologies to staff who have been affected.

It has been a matter of public record for more than a year that the development and rollout of the new Queensland Health payroll software faced challenges, including several delays. Equally, it is a matter of public record that the old IT system, Lattice, was too old, was unsupported and had become unreliable. Indeed, I think the *Courier-Mail* wrote about it.

The project was delivered by a project board, including a representative of IBM, which was responsible for tailoring the software, the chief information officer of Queensland Health and CorpTech. The difficulties this project faced from an IT perspective have been well documented. The go live date was pushed back several times between July 2008 through to March 2010 because the project board had not been satisfied that the software tailoring was free of defects. Sample trial runs were conducted, and defects were identified and fixed over a period of more than a year. The project board met regularly in July, September and November 2008 and in May, June and October 2009, and the board determined that the project was not yet ready for go live and more work needed to be done. Months more work was done on the system to eliminate glitches and reduce the risk of problems. Earlier this year, I am advised, two trial runs were conducted and returned clear results.

Ultimately, on 14 March 2010, the project board—made up of the four most senior IT officers involved in the project—certified that the project was ready to go live. The board includes a senior representative of IBM, the chief information officer of Queensland Health, the general manager of CorpTech and Queensland Health's executive director of corporate services. Specifically, they certified that cutover tasks had been executed as planned, cutover data migration results were satisfactory, cutover

SSP manual data results were satisfactory, cutover finance data reconciliations were complete, agency and payroll were ready for go live, and support organisations were go live. On 14 March 2010, the project board made the decision to go live with the new payroll system, and I table the note of their certification.

*Tabled paper:* Queensland Health Implementation of Continuity Program brief for decision, dated 14 March 2010, regarding Lattice Payroll Replacement Project [\[2059\]](#).

Unfortunately, we now know that the broader implementation of the payroll system—particularly the task of inputting staff rosters and processing pay slips—was not ready and that those responsible for delivering this new payroll system had underestimated the task of migrating data across to the new system. KPMG has been engaged to review what went wrong. I want very clear answers about how this happened. It is simply not good enough.

Queensland Health is entitled to rely on IT and payroll executives to get their job done properly. These executives are paid big money to deal with these matters, and we are entitled to rely on their expertise. When senior people certify that the payroll system is approved for go live, we are entitled to expect that to be an accurate assessment. Indeed, 75,000 Queensland Health staff are relying on this payroll system, including the IT software as well as the work practices that use it, to get them paid. That is why I want these matters investigated—all of them—but my immediate priority is to get the problems rectified and get our hardworking staff their money.