




Speech By
Hon. Jarrod Bleijie

MEMBER FOR KAWANA

CRIMINAL PROCEEDS CONFISCATION (UNEXPLAINED WEALTH AND SERIOUS DRUG OFFENDER CONFISCATION ORDER) AMENDMENT BILL

 **Hon. JP BLEIJIE** (Kawana—LNP) (Attorney-General and Minister for Justice) (10.11 pm), in reply: I thank all honourable members for their contributions to the debate on the Criminal Proceeds Confiscation (Unexplained Wealth and Serious Drug Offender Confiscation Order) Amendment Bill 2012. Whoever came up with that long title! For the next 30 minutes I am going to convince, if I have not already, honourable members why they ought to support this bill. Honourable members know that this bill delivers on two pre-election commitments the Newman government made to the people of Queensland: to introduce unexplained wealth laws and to establish drug-trafficking declarations. The commitment to introduce unexplained wealth laws also formed part of the government's six-month action plan.

Unexplained wealth legislation is operational in Western Australia, the Northern Territory, New South Wales, South Australia and the Commonwealth. I am pleased to say that in only 12 months of government we have joined the queue and now have unexplained wealth laws. The Labor Party had 20 years in which to do it but it did not. In fact, it opposed them when we introduced them from opposition. But I am happy to say that the member for Rockhampton has indicated that tonight he will support the bill. That is a change in their position, so I thank the member for Rockhampton for that.

We know from evidence given to the Commonwealth Parliamentary Joint Committee on Law Enforcement during its inquiry last year into unexplained wealth legislation that it is the opinion of law enforcement professionals that criminals will move their operations to the jurisdictions where they believe there is a legislative weakness. The member for Mermaid Beach spoke earlier tonight about the Gold Coast. The introduction of the unexplained wealth laws in this bill should ensure that Queensland is not seen by the criminal element as a safe haven to hide their ill-gotten gains. The bill proposes to amend the Criminal Proceeds Confiscation Act 2002 by inserting the unexplained wealth laws into the existing non-conviction based chapter of the act. The explanatory notes state—

The Bill provides that the Supreme Court must make an unexplained wealth order against a person if the State has satisfied the court that there is a reasonable suspicion that the person:

- has engaged in one or more serious crime related activities; or
- has acquired, without giving sufficient consideration, serious crime derived property from any serious crime related activity of someone else (whether or not the person knew or suspected the property was derived from criminal activity); and
- some or all of the person's current or previous wealth was acquired unlawfully.

Once the unexplained wealth order is made, the onus is then on the person the subject of the application to prove that their wealth was legitimately obtained. Any amount of the person's wealth or income which they cannot prove was legally acquired will become a debt payable by that person to the state.

The bill fulfils the election commitment with respect to drug-trafficking declarations by proposing to create a new chapter 2A in the Criminal Proceeds Confiscation Act 2002 which provides for the

creation of a serious drug offender confiscation order scheme. Drug-trafficking declarations are operational in Western Australia and the Northern Territory. The serious drug offender confiscation order scheme proposed by the bill has been inspired by those schemes but has also been adapted appropriately for operation in this state.

The serious drug offender confiscation order scheme is intended to dramatically increase the risk of becoming involved in the illicit drug trade. The bill provides that if a person has been convicted of a prescribed qualifying serious drug offence and the state has made an application within six months of the issue of the relevant certificate then the Supreme Court must make an order forfeiting all property of the person and all property that was gifted to the person in the six years before the person was charged with the qualifying offence.

Both the unexplained wealth laws and the serious drug offender confiscation order scheme in the bill provide the Supreme Court with a public interest discretion about whether to make the orders. Both schemes of the bill also provide for innocent dependants to make applications to the court for relief from hardship. The bill also extends this option to innocent dependants of persons against whom proceeds assessment orders are made. The bill proposes that both the unexplained wealth and serious drug offender confiscation order schemes will be administered by the CMC, with the Office of the Director of Public Prosecutions acting as the CMC's solicitor on the record.

The bill proposes to reform the issue of notices to financial institutions under the Criminal Proceeds Confiscation Act 2002 by providing for access to information and penalties for noncompliance which aligns more closely with the position in other Australian jurisdictions.

Importantly, the bill provides a mechanism for Queensland to participate in equitable sharing programs with other jurisdictions. Equitable sharing programs enable jurisdictions to recognise cross-border contributions to confiscation investigations from interstate and international investigatory bodies by sharing the proceeds recovered in successful investigations.

I will now address some of the elements in the bill and the contributions to the debate. I start by thanking all honourable members of the government for their great contributions with respect to this bill this afternoon and this evening. We know that this government has a particular emphasis on toughening up laws in Queensland with respect to these types of offences. We have undertaken a tranche of law reform in relation to child sex offences; now we are on to the Mr Bigs of the underworld. Bikies should be warned that we will go after them in Queensland. We do not want that type of activity in this state.

I will address some of the issues raised by the member for Rockhampton. Most of his contribution to this debate this afternoon referred to the COAG meeting and that somehow attorneys-general across Australia have failed to address this issue at the national level; therefore, it was going to be put up to COAG. Little does he know, COAG has been and gone. It was rejected at COAG, including by the state Labor premiers.

Mr Newman: Rejected it—all of them.

Mr BLEIJIE: I take the interjection from the honourable the Premier. So the member for Rockhampton is a little behind the times. He gave a great historical lesson tonight about this process. Let me correct the record and set out the facts of the matter.

The issue is: Nicola Roxon came to the Standing Council of Attorneys-General and put forward a proposal for a referral of all powers relating to unexplained wealth to the Commonwealth. That was rejected at the time. She then lost her job as Attorney-General.

Mrs Miller: She didn't lose her job.

Mr BLEIJIE: And Mr Dreyfus turned up only a few weeks ago in Darwin, to the Standing Council of—

Mr Newman: Mark? Who's he? Who is he?

Mr BLEIJIE: Mark Dreyfus is the new Attorney-General. I take the interjection from the member for Bundamba: she did lose her job. She is not the Attorney-General.

Mrs Miller interjected.

Mr BLEIJIE: She lost her job because she could not get that anti freedom of speech bill through the parliament that was completely undemocratic. That is the reason Nicola Roxon was forced out of the cabinet. Anyway, what happened was that Mark Dreyfus, the new Attorney-General—

Mrs Miller interjected.

Madam DEPUTY SPEAKER (Miss Barton): Order! Attorney-General, I would ask that the member for Bundamba withdraw those comments.

Mrs MILLER: I withdraw the comments, but I would also—

Madam DEPUTY SPEAKER: Member for Bundamba—

Mrs MILLER: Yes, I withdraw the comments.

Madam DEPUTY SPEAKER:—please do not qualify your withdrawal.

Mrs MILLER: All right.

Madam DEPUTY SPEAKER: I have asked that you withdraw the unparliamentary language and you have done so.

Mrs MILLER: Yes.

Madam DEPUTY SPEAKER: I am aware of that, thank you.

Mrs MILLER: I would like to raise a point of order please, if you do not mind.

Mr BLEIJIE: Deja vu from last night.

Madam DEPUTY SPEAKER: Attorney!

Mrs MILLER: I just want to make a point of order to correct the record. My understanding is that Nicola Roxon—

Madam DEPUTY SPEAKER: That is not a point of order, member for Bundamba.

Mrs Miller interjected.

Madam DEPUTY SPEAKER: Member for Bundamba, please resume your seat. That is not a point of order.

Mr BLEIJIE: I acknowledge the member for Bundamba in the House this evening. How was the sin-bin last night—the hour? Did you enjoy it? Enjoy the sin-bin? Let us hope we can get you in the sin-bin again tonight. I have another 23 minutes, so I guess I have a good opportunity to achieve that objective. The fact is Mark Dreyfus, the new Attorney-General, went to Darwin a few weeks ago for the Standing Council of Attorneys-General. Guess what? They took these unexplained wealth provisions off the agenda because in the meantime, after Nicola Roxon failed to convince any of the states to do it, the Prime Minister held a press conference where she said—

I'm going to be taking the unexplained wealth referrals to COAG and I want my first ministers to sign up to it.

So we had the Prime Minister doing a press conference in the morning saying that the states should refer their power of gang legislation and unexplained wealth laws and then the Premier received a letter that night—some 12 hours later—from the Prime Minister explaining this new proposal. But we understand what the Prime Minister does now in COAG: she does the press conference and puts it out there without any consultation and without having the courtesy to contact the first ministers of each state and territory and then she sends a letter saying, 'By the way, I've already done the press on this but I want to engage in a cooperative arrangement and consult with you on these sorts of things.' You cannot enter into a cooperative arrangement after already announcing in the morning what you are going to do without having consultation.

The federal Attorney-General turned up in Darwin to the Standing Council of Attorneys-General and took it off the agenda, but the state Attorneys-General put it back on the agenda and I made it absolutely clear that Queensland will not be referring the unexplained wealth powers to the Commonwealth. I called it a cash grab. The Attorney-General, Mr Dreyfus, came out and said, 'It's not a cash grab. We only want 50 per cent of the money!' The fact is Queensland wants 100 per cent of the money. If the laws are broken in Queensland, then it is the Queensland taxpayer who should have the benefit of the money from those assets that have been derived from those activities that will be sold and forfeited to the state as a debt to the state. We want 100 per cent of the funds. For the last 20 years the state Labor government in Queensland failed to act in this regard. It failed to introduce unexplained wealth powers and in fact voted against us in opposition with regard to our unexplained wealth bill in this House. It is now supporting this bill but it failed to act for 20 years. As a Labor state would have it, it just handed it to the feds and said, 'We can't be bothered in Queensland. We'll just hand it all to the feds.'

We are taking a stand against that prospect. We are taking a stand because Queensland is best placed to deal with these matters. Queensland is best placed to deal with bikies, gang laws and unexplained wealth laws and serious drug trafficking declarations that we have introduced. That is why when this did go to COAG only a few weeks ago it was rejected. The referral of power was rejected, including by the Labor states. There are Labor state governments that already have unexplained wealth laws such as South Australia and, as I said, Western Australia and New South Wales. It was rejected at COAG. In fact, it was referred back to the Standing Council of Attorneys-General. The first ministers and the Prime Minister then referred it back to the Standing

Council of Attorneys-General despite the fact that the federal Attorney-General had it taken off the agenda at the last meeting.

We said that we would cooperate, but it goes both ways. We have a great opportunity here—and I have spoken to the police minister about this—to catch more people in Queensland if Commonwealth departments assisted in sharing information and evidence. For instance, members may not know how hard it is to get information from Centrelink if we are trying to track down identifying particulars of individuals. Centrelink is probably one of the worst government agencies at a federal level to get information from and it makes it quite difficult when we are doing police investigations in Queensland to gather the evidence and the information, particularly as people change their addresses. If one body has the most current up-to-date contact details, generally it is Centrelink because people get their benefits and so forth and ensure that all of their details are up to date. As I said, Queensland is best placed to deal with it.

The member for Rockhampton also mentioned adequate funding to the CMC because it is going to deal with this. I am going to wrap my comments in relation to the member for Rockhampton and the CMC with the member for Nicklin, because the member for Nicklin has come into this place over a number of years, over the last 12 months particularly, and attacked this government for underresourcing the CMC and it is not right. It is not correct. The CMC gets about \$50 million a year of taxpayers' money. It gets more money than ICAC in New South Wales and has a third of the number of staff working in the corruption watchdog body in New South Wales, yet our corruption watchdog gets \$50 million a year. The member for Nicklin always comes in here saying, 'The CMC's underfunded. It can't do its job.' I reject that entirely. I reject that because we have had the Callinan and Professor Aroney inquiry into the CMC and the PCMC inquiry into the CMC. Had this government not set up the Callinan-Aroney inquiry there would not have been an article in the *Courier-Mail* dated 25 April. It states—

QUEENSLAND'S corruption watchdog—
the CMC—

spent almost \$1.2 million on lawyers, contractors and consultants last year—including \$50,000 on a survey of its 350 staff.

Documents released with the Callinan Review of the Crime and Misconduct Commission have for the first time revealed details of the watchdog's extensive use of external expertise.

The article continues—

The \$343,000 consultants' bill included payments totalling \$47,000 to Quantum Management and Uniquest for a survey of the CMC's 350 staff into operational and cultural issues.

It goes on—

A further \$122,000 was spent hiring KPMG to conduct a review of 'organisational design' which Mr Martin said was needed to identify pressures on resources.

It continues—

At one stage Mr Callinan even took issue with Mr Martin heading each of his letters 'in confidence', saying he saw no need for a shroud of secrecy.

This bill is establishing unexplained wealth laws in this state and is not about the CMC, but the member for Nicklin has used this opportunity to talk about the CMC and attacked the government again for underfunding it. I completely reject that. There are documents now showing that the CMC spent \$50,000 on a staff survey. That \$50,000 could have been used to employ another person to look at these crime issues and be on the ground in delivering a front-line service rather than doing surveys of cultural change and organisational structure in the CMC. So hundreds and hundreds of thousands of dollars—\$1.2 million—was spent by the CMC on external consultants.

I want to raise another issue that the member for Nicklin has raised here on a couple of occasions, and he did so also tonight. I refer to PCMC finding No. 20. The member for Nicklin has talked in this place about staffing levels. I remember that during the PCMC inquiry into the shredding of documents by the CMC the member for Bundamba was very vocal and has been very vocal in this place and at estimates about the CMC's staff numbers and the government's austerity measures in terms of its one per cent reduction, which equated to about \$500,000. The member for Bundamba has come in here and said, 'The CMC has to sack 30 staff or more because of the one per cent reduction,' and the member for Nicklin has said, 'They've had to sack 30 staff and it's underresourced.' Yet PCMC finding No. 20—there was only a statement of reservation, and the member for Bundamba was on the committee—says this—

The CMC's budget for 2011-12 was \$50.55 million which represents 0.107% of the State budget.

The Committee considers that the 2012-13 cut to the CMC's budget, which was about \$500,000 or about 1%—
wait for this—

did not result in the job losses attributed to that budget cut (of up to 10% of staff positions). This was confirmed by the Chairperson of the CMC during a joint meeting on 16 November 2012, in response to the Chair's question as to how a 1% budget cut could result in such a high number of job losses at the CMC ...

It then went on to say—and this is committee report finding No. 20—

Rather, it was the decisions of CMC management (successive groups of management) in using surplus funds resulting from vacant positions ("the Churn factor") to create additional unfunded permanent positions that resulted in a large number of job losses at the CMC in 2012 when the public service climate changed.

So they were pooling money for jobs that were not even there. Yet the member for Nicklin has the hide to come in here and say that the government's one per cent reduction in the budget for the CMC, which equates to \$500,000, equated to 30 job losses. It was a fabrication of the issue. I take note that this issue was raised—

Mr Newman: The member for Gaven backed them up, too.

Mr BLEIJIE: The member for Gaven has backed up the CMC on every occasion. He came in here and talked about the job losses. I remember getting letters from the member for Gaven. I remember getting told that the member for Gaven each week was down at the CMC fighting for the resources and jobs. Yet does the member for Gaven protect the CMC for spending \$50,000 on a staff survey? Was that good public expenditure? We would not have known about that unless we had set up the Callinan-Aroney review. If we had not set up that review, that would have been hidden and shrouded in secrecy in the CMC. It was only because of that review that those figures have now come out.

When the chair, Ross Martin, sat in the red chamber at estimates and had a blue with me about staff cuts when I asked, 'How can you get a one per cent reduction but a 10 per cent reduction in staff?' he said he had lost about 60 staff. Then he retracted that to about 30 staff. The PCMC report has found that it was the churn factor of the CMC management.

Mr Newman: So he misled a parliamentary committee?

Mr BLEIJIE: I take that interjection from the Premier. I think whether the former chair did mislead the estimates committee is worthy of investigation, because we have it on record now in a finding of the PCMC that job losses in the CMC were not as a result of the one per cent budget reduction of the CMC. How does the CMC explain that one? We can explain it: because they had a churn factor. They were pooling money aside for positions they never had and hoping that they would create the positions in the future. So when we came along and we asked, 'Hang on, what's happening here?' it all came unstuck for the CMC. The member for Bundamba and the member for Nicklin still came in here tonight and protected the CMC, saying that it should be shrouded in secrecy and that the public ought not know what happens in the CMC. They should. Fifty million dollars of taxpayers' money gets spent on the CMC and I think the public would be horrified that the top crime-fighting independent watchdog in this state spends \$50,000 on a survey of its staff when they are whingeing about jobs losses and job cuts and no resources to do this and no resources to do that. They are one of the most, if not the most, resourced crime-fighting corruption watchdogs in this country.

So, on that note, we will be pursuing the issue of what Mr Martin said in the estimates committee with respect to the job losses because they have been caught out not telling the exact facts of the situation. I am glad we set up the PCMC inquiry in an open environment. Members may recall that one of the part-time commissioners turned up to the inquiry and said, 'Why is this all out in the public? This should be an internal investigation of the CMC.' They shredded 4,000 documents, they unlawfully disclosed information to people, but it all should be done behind closed doors. She then went a little further—and this is part-time commissioner Judith Bell—and said, 'By the way, you are treating the staff very heavy handed in this PCMC inquiry.'

Mrs Frecklington: Seriously?

Mr BLEIJIE: Seriously—from the CMC that does these star chambers of people who are accused of all sorts of things. We will sort this out. We are committed to a strong, independent, crime-fighting corruption watchdog in this state. We will have an independent crime-fighting watchdog, but we will make sure that they have the organisational structure that is required to do their job effectively and within existing budgetary resources.

I thank the member for Ipswich for his contribution to the debate and for chairing the committee that looks at all of this JAG legislation. I understand that I place an enormous amount of pressure on the members of the Legal Affairs and Community Safety Committee with the amount of legislation, but I say to members of that particular committee that every day they make recommendations on a bill before the committee Queenslanders are thanking them for getting on with the job and delivering swift

and fair justice in Queensland and toughening up laws, such as the bikie laws. Madam Deputy Speaker, I acknowledge the valuable contribution that you make in that committee process as well.

Madam Deputy Speaker, in your contribution you mentioned that drugs are a scourge on our community. I absolutely and fundamentally agree with you. The member for Ipswich West supports the bill. I thank him. As a government member, supporting the bill is the first step. So that is great. The member for Bulimba said that the government is making it extremely hard for criminals to get comfortable in Queensland. That is exactly right. We do not want criminals feeling comfortable in Queensland. We want to have the tough laws that the criminals will not like.

The member for Gladstone made a great contribution, as she always does. She is a true Independent member of this parliament.

Mrs Miller interjected.

Mr BLEIJIE: I take that interjection from the member for Bundamba. I believe that the member for Gladstone is the only true Independent in this place. I give all respect to the member for Gladstone. She talked about the CMC as well and what the CMC may look like post the Callinan review and the PCMC report. We will work with the member for Gladstone as the chair of the PCMC. I acknowledge the fact that the Callinan report also indicated that the budget of the CMC has not been spent in the right areas in the past. The member for Gladstone knows that we are on to that issue and we will sort that out. The member for Chatsworth talked about drug dealers not being concerned about the cost of illicit drugs to the health system. Again, this is why we are toughening these provisions. I thank all honourable members for their contributions.

I will conclude by finishing on the comments of the member for Nicklin. It was remiss of me to not fully acknowledge his contribution to this debate tonight, because not only did he carry on with his usual rant with respect to the CMC being underresourced and all of this sort of stuff but also he made an extraordinary attack on the Hon. Ian Callinan AC—

A government member: Who did?

Mr BLEIJIE: The member for Nicklin. Essentially, the member for Nicklin said that the Callinan-Aroney review was a political review. I think that is a disgrace. I understand the member for Nicklin was a lawyer. I think the member for Nicklin should issue a public apology for his comments about Ian Callinan, a former High Court judge of this country, one of the most intellectual members of the High Court that we have ever had in this country. He also cast aspersions on Professor Nicholas Aroney, who is a leading educator in the law in this state at UQ. I think the member for Nicklin really has an apology to make. I think Ian Callinan and Professor Nicholas Aroney did their job exactly. They did an unbelievably great job. The honourable Ian Callinan conducted himself just as I expected him to. In relation to the Callinan-Aroney inquiry it is interesting to note that some of the things that we are now reading about the CMC we would never have known had the honourable Ian Callinan not written those 20-page letters to Mr Ross Martin.

Mr Stevens: Forensic examination.

Mr BLEIJIE: I take the interjection from the honourable Leader of the House—the forensic investigations. Had he not written those 20-page letters and challenged Mr Ross Martin we would have been none the wiser. Queenslanders would not know a lot of things about the CMC. There is more to come out. After I table the CMC Callinan-Aroney report I encourage all members to read the report and all the correspondence because it really gives an insight into the operations of the CMC and offers some great suggestions that the government is now considering.

In terms of this bill, can I thank all the key justice stakeholders who provided feedback to the justice department during the consultation that took place in the development of this bill. They took the time to write submissions to the Legal Affairs and Community Safety Committee. I thank the Legal Affairs and Community Safety Committee. The bill represents an important part of the government's strategy to combat organised crime in this state. It is hoped that the amendments in this bill act to discourage those who might be tempted by the lure of easy money from illicit activity and to empty the bank accounts of those who yield to that temptation.

I urge all members of the House to support this bill because there is a real opportunity here to right the wrongs of the past, to do what the Labor Party could not do for 20 years. I note that the Labor Party have come in here on a couple of occasions in relation to our bills and said, 'Why has it taken you 12 months?' We cannot do it all overnight, but we are making inroads into the justice system in Queensland and we will always place the victims at the forefront of our minds.

My good friend the Treasurer, in the great budget and in making the tough decisions, has allowed my department to make sure that we have easy access to justice. I know that the Treasurer is particularly pleased that I have recently awarded grants to three organisations in the Treasurer's electorate. One is the Nundah Community Legal Service Homicide Victims Support Group. While we

are talking about empowering victims, tomorrow the Queensland Homicide Victims Support Group is having their 'walk a day in our shoes' rally at—what is that hot bit of concrete in the centre of the city?

Mr Nicholls: King George Square.

Mr BLEIJIE: The honourable police minister and I will be attending. We have some great announcements for the Homicide Victims Support Group tomorrow. This government puts victims first. This government puts Queenslanders first. This is a great state. It has great opportunities. We will right the wrongs of the Labor Party over the last 20 years. We will do what the Labor Party failed to do for 20 years. This is a great state with great opportunity. I encourage all honourable members to support this bill.