



Speech By
Hon. Grace Grace


MEMBER FOR MCCONNEL

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INTEGRITY AND OTHER LEGISLATION AMENDMENT BILL

PUBLIC SECTOR BILL

Second Reading (Cognate Debate)

 **Hon. G GRACE** (McConnel—ALP) (Minister for Education, Minister for Industrial Relations and Minister for Racing) (2.57 pm): I move—

That the bills be now read a second time.

These two bills were introduced by the Premier on 14 October this year and represent significant milestones in delivering the Palaszczuk government's commitments. At the outset, I wish to thank the committee members and the committee secretariat for their consideration of these two bills. I want to thank the member for Logan, the chair, for ensuring the bills were properly scrutinised and considered, and he did an excellent job. I also wish to thank those who made submissions to the committee and appeared as witnesses as part of the committee's inquiry.

Turning first to the Public Sector Bill 2022, the bill was referred to the Economics and Governance Committee, with the committee making one recommendation—that the bill be passed. Our government is committed to an integrated and responsive public sector with purpose and integrity focused on improving the lives of Queenslanders and delivering even better services right across the state. The bill both modernises public sector employment laws and seeks to rejuvenate the capability and capacity of the public sector workforce. This is in response to Mr Peter Bridgman's independent review of Queensland public sector laws titled *A fair and responsive Public Service for all* and Professor Coaldrake's report titled *Let the sunshine in: review of culture and accountability in the Queensland public sector*. Both reviewers explored how government can build better public services—Mr Peter Bridgman through the lens of public employment laws and how these impact responsiveness and Professor Coaldrake through the lens of culture and accountability. The bill also represents the culmination of extensive and rigorous shareholder consultation and consideration. I thank all stakeholders involved, especially in relation to the constructive and collaborative role they played in this process.

Central to the objectives of the bill, and as contemplated by the Bridgman review, are three pillars of fairness, responsiveness and inclusiveness. I will now turn to specific elements of the bill. In 2020, the Palaszczuk government progressed stage 1 of the public sector reforms that delivered on the recommendations of the Bridgman review by enshrining fairness, employment security and positive performance management as central to Queensland's public employment framework. This week, the Palaszczuk government is further delivering on this commitment by reinforcing and extending these reforms to all relevant employees of the public sector.

Previously Queensland's public employment framework applied only to the core public service, comprised of departments and public service offices. Under this bill it will apply to a broader public sector, made up of a wide range of Queensland government entities—generally, to any entity

established under an act for a state or public purpose. This will bolster the stage 1 public sector reforms by ensuring they are applied to all relevant employees of Queensland's public sector. This includes the Palaszczuk government's commitment to employment security, which recognises that permanent public service employment is an essential feature of an effective Westminster system of government, something those opposite failed to appreciate during their time in office.

Mr Power: When they sacked them!

Ms GRACE: I will take the interjection from the member for Logan. They indeed did sack 14,000. This bill extends conversion to permanent employment mechanisms beyond the public service to the broader public sector. It also extends accountabilities for chief executives to undertake proactive workforce planning, reducing reliance on temporary and casual employment from the outset. This gives greater effect to the government's stated commitment to permanent employment. The bill also carries over the positive performance management framework established as part of the stage 1 public sector reforms to the broader public sector. The bill sets out a fundamental requirement not only for all employees to focus on their own performance but also for managers to manage performance positively and proactively. This will ensure the legislation fosters a highly skilled public sector workforce.

By extending the scope of public employment legislation from the core public service out to the broader public sector, the bill recognises the importance of an integrated public sector where entities work together to achieve the best possible outcomes through the best use of resources. Taken together, these reforms centre fairness in the public employment framework. They do this by maximising permanent employment and ensuring fair and transparent decision-making and accountability for managers and chief executives consistently across the whole of the public sector.

The bill also moves beyond stage 1 public sector reforms to introduce changes to strengthen fairness and responsiveness across the public sector. The first of these is a recognition of the role the public sector plays in supporting the government to reframe its relationship with Aboriginal and Torres Strait Islander Queenslanders. In supporting this role, the bill requires public sector entities to recognise the importance of the right to self-determination to Aboriginal peoples and Torres Strait Islander peoples. It requires chief executives to take active steps to ensure their entities fulfil this role, including through new planning and reporting requirements and obligations to foster and promote cultural capability and safety at all levels of the public sector. I would like to thank those First Nations stakeholders who offered their feedback and perspectives to support this important reform.

Secondly, this government understands that equity, diversity, respect and inclusion are key to building a fair and responsive public sector that reflects the wide range of views, experiences and perspectives that make up Queensland. That is why this bill introduces new equity and diversity measures for public sector entities. This includes obligations for chief executives to promote equity and diversity in employment matters and conduct a comprehensive program of auditing, reporting and planning on the progress of equity and diversity in their entity, including for diversity target groups. The bill also requires chief executives to promote and support a culture of respect and inclusion for all public sector employees. It strengthens accountability and oversight with powers of the Public Sector Commissioner and the Special Commissioner for Equity and Diversity to oversee these new obligations. These reforms embed equity, diversity, respect and inclusion in our public sector employment framework and are nation leading. We are the first jurisdiction in Australia to do this.

Thirdly, the approaches under the bill regarding mobility and taskforce arrangements have regard to other developments in public administration, including understanding the lessons learned from the way in which the public service supported the COVID-19 response. These concepts are related to the observations of the Coaldrake report to build capability through executive mobility and generally to promote better cross-agency collaboration in tackling emerging, priority or regional issues facing Queenslanders.

There are some elements of the bill that specifically support the public sector workforce renewal and culture dedicated to accountability and performance as envisaged by Professor Coaldrake. In particular, the bill supports the Coaldrake report by ensuring the continued independence of specific integrity bodies that do not employ public servants. It does this by not including the Queensland Ombudsman and the Crime and Corruption Commission in scope of the bill and introduces an alternative mechanism to enable public sector employment arrangements to be applied to their staff. The bill implements recommendation 5 of the Coaldrake report by establishing the Public Sector Commission's role as the key leadership, oversight and central human resources agency, with functions to promote an ethical public sector culture and to facilitate the development of a highly skilled chief executive service and senior executive service.

The bill also implements Coaldrake's recommendation that agency chief executives be appointed on fixed-term five-year contracts unaligned to the election cycle for their first appointment. The bill provides that contract terms must be five years unless the individual requests a shorter term. This is also consistent with Commonwealth public service legislation.

Professor Coaldrake's recommendation that two external community members be appointed to the new Public Sector Governance Council to ensure it has access to valuable commercial and community insights is also included in the bill. The bill also establishes the shared public sector stewardship roles of the Public Sector Governance Council, the Public Sector Commission, the Public Sector Commissioner, Special Commissioners and chief executives. This reform is vital to ensure a responsive, well-led public sector where cultural change can occur and safe and respectful environments are promoted.

For the benefit of the House, I will now outline some of the amendments that I will move during consideration in detail. While the committee did not form a view with regard to the relationship between statutory office holders and public sector review functions, the committee noted it is open to government to enable that this important review function occur via an alternative structure. The government has listened to the feedback provided by the Electoral Commission of Queensland and the Queensland Human Rights Commission during the committee process. To respond to this feedback, and to ensure the ongoing confidence in the independence of the Electoral Commission of Queensland and the Queensland Human Rights Commission, it is proposed to progress an amendment to exclude these entities from the application of public sector reviews under the bill. It should be noted that these provisions of review were already in the existing Public Service Act and were just being transferred over, but for the avoidance of doubt, amendments are proposed to both the Electoral Act 1992 and the Anti-Discrimination Act 1991 to include arrangements that will ensure the Electoral Commission of Queensland and the Queensland Human Rights Commission are subject to periodic strategic reviews.

The consequential amendments are necessary to ensure these entities will be subject to a formal review mechanism, which is what Queenslanders would expect of their integrity type bodies. The proposed treatment of these two entities is modelled on treatment of core integrity bodies such as the Ombudsman, Information Commissioner, Auditor-General and Integrity Commissioner, where preservation of the independence of these bodies has also been prioritised.

I will also move an amendment during consideration in detail to clarify that, if a chief executive of a public sector employee is permitted or required to offer to convert the employee's employment to a permanent basis under the bill, the employee can be employed permanently despite anything in another act which provides for their basis of employment. This amendment will also serve to address an issue raised by the Office of the Public Guardian during the committee process.

It is also proposed to make an amendment to the civil liability protections under the bill to extend those protections to associates, judges or members of other courts of record. This will futureproof the legislation and ensure consistency of treatment for associates. In particular, the amendment will have the effect of capturing associates to members of the Land Court. We are going to treat them all the same.

The elements of the bill I have outlined support public sector employees to be responsive to the needs of the community, to give frank and fearless advice to government, and to deliver the best possible outcome for Queenslanders. The bill will further the government's commitment to being fair, responsive, inclusive and a leader in public administration.

I also note that no statements of reservation or dissenting reports were made to the committee report. I can only conclude that those opposite have a new-found respect for the Public Service and will be supporting the legislation before the House. We all know the track record of those opposite when it comes to Queensland's public sector. They were in government for only three years, yet the destruction and devastation that they did to the Public Service and public sector more broadly knew no bounds. It included sacking over 14,000 public servants, which is something that Queenslanders will never forget and that we will ensure they never forget. Queenslanders need an effective and efficient public sector that is well equipped and skilled to deal with the challenges of today and tomorrow. This legislation will provide a modernised framework for the public sector to operate within.

I now turn to the Integrity and Other Legislation Amendment Bill 2022, which further demonstrates the Palaszczuk government's commitment to integrity and accountability. This bill was also referred to the Economics and Governance Committee. The committee made one recommendation: that the bill be passed. The bill provides a range of legislative amendments to strengthen Queensland's integrity and oversight framework. As outlined when the Premier introduced the bill, Queenslanders rightly expect their government to provide public services that are transparent and accountable. They want to see those services delivered in a contemporary integrity framework that maintains and improves a culture of accountability.

The primary purpose of this bill is to strengthen and enhance the independence of the Auditor-General, the Queensland Audit Office and the Queensland Integrity Commissioner. The bill also makes minor amendments to the Ombudsman Act 2001, the new Public Sector Act 2022 and the Superannuation (State Public Sector) Act 1990 mentioned in schedule 1.

A key means to enhance the Auditor-General's independence is to remove the Queensland Audit Office from the operation of the new Public Sector Act and to enable the Auditor-General to employ staff under the Auditor-General Act 2009. Importantly, existing Queensland Audit Office staff will retain their current terms of employment, with their superannuation and leave entitlements preserved. Those staff will also have the option of electing to return to being a Public Service employee within six months of the relevant provisions commencing. It should be noted that these proposed new employment arrangements will commence on proclamation up to one year after the passage of the bill. This will provide enough time for the Auditor-General to develop and consult with staff on a new employment framework, which is very important.

The Auditor-General will also be made an officer of the parliament and be required to make an oath or affirmation administered by the Speaker or the Clerk of the parliament. Noting that the committee's report commented on the possible consideration of amendments to include affirmations, I can advise the House that the Acts Interpretation Act 1954 defines 'oath' to include affirmation. As such, it is not necessary to amend the bill. The Speaker will also have the power to grant a leave of absence for the Auditor-General, instead of the minister.

The Auditor-General's independence is further strengthened by removing the need for the Treasurer's approval of any proposed increases in basic rates of audit fees. Instead, the Auditor-General will be able to propose an increase to basic rates of fees once per financial year, which the parliamentary committee has to approve. In deciding to approve or not approve the proposed increase, the parliamentary committee may have regard to the government indexation rate and advice from the Treasurer. The parliamentary committee must provide a report to the Legislative Assembly detailing the reasons for approving or not approving any requested increase. Providing for the parliamentary committee to consider the government indexation rate and advice from the Treasurer enables the committee to consider broader economic factors that may impact on appropriate annual costs of audits to government. To further enhance the Auditor-General's independence, the Audit Office will be able to undertake audits of government owned corporations without having to receive a request from the Treasurer, a minister or the Legislative Assembly.

The Coaldrake report recommended that any outstanding matters from the previous 2013 Finance and Administration Committee inquiry and the 2017 strategic review of the Auditor-General be implemented. One of those recommendations was captured in this bill: to allow the Auditor-General the discretion to undertake an audit if requested by the Legislative Assembly instead of the current legislation that compels the Auditor-General to do so. In the Economics and Governance Committee report, the chair commented—

This bill would define the Auditor-General as an Officer of the Parliament, yet at the same time provides the Auditor-General with the capacity to ignore an audit request by the Queensland Parliament. This seems at odds with the primary democratic sovereignty and role of the Parliament and should be further considered.

I could not agree more with the chair of the committee and I thank him for his consideration of this important matter. It makes a lot of sense.

It should be said that the proposal was recommended some time ago and the proposal should be read in the current context of other reforms that the government is progressing, the primary one being that the Auditor-General will be an officer of the parliament. That has been the change. As such, it would be an absurdity for an individual, let alone an officer of the parliament, to be empowered with the discretion to ignore the will of the parliament, that is, the members elected on behalf of all Queenslanders. While I am sure that, practically speaking, the current Auditor-General would respect the convention of the Legislative Assembly and undertake an audit if it were requested by this House, it is appropriate for protections to be put in place to ensure that it is crystal clear that the parliament's wishes are and remain paramount. As such, the government will not be progressing with this element of the bill and it will be removed in consideration in detail.

Turning to the office of the Integrity Commissioner, this position is further strengthened through the amendments proposed in this bill. The amendments are consistent with the Yearbury strategic review recommendations. The Integrity Commissioner will not be subject to direction on the way they perform their function or the priority they give to integrity issues. An Office of the Queensland Integrity Commission is also established through this legislation. The office will consist of the Integrity Commissioner, the Deputy Integrity Commissioner and integrity officers. The designation of persons who can seek advice directly from the Integrity Commissioner will be further refined, as recommended by the Yearbury strategic review, so that the small office of the Queensland Integrity Commissioner is

not overwhelmed by a potential large number of requests. Former designated persons will be able to seek advice via their departmental integrity processes or from ministerial advisers through their minister, assistant minister or chief of staff. The new regulation-making power will improve transparency concerning how new persons or classes of persons are designated, enabling flexibility into the future.

The Yearbury strategic review sought to relieve the Integrity Commissioner of administrative processes in relation to declarations of interest that have no relevance to the legislative functions of the role. The need for statutory office holders to provide a copy of the declaration to the Integrity Commissioner will be removed as well as the need for the Integrity Commissioner to report on compliance by statutory office holders and the CEO in an annual report.

Strengthening Queensland's integrity and oversight framework also involves building on the lobbying reforms already announced by the Premier following the release of Professor Coaldrake's report. This includes making unregistered lobbying, which is already prohibited, an offence with a maximum penalty of 200 penalty points.

In respect of the Ombudsman, the proposed amendments to the Ombudsman Act 2001 will bring the timing of strategic reviews of the Ombudsman into line with other integrity bodies by reducing the review period to five years instead of the current seven.

Part 5 of the bill outlines a number of minor amendments to the proposed new Public Sector Act that will provide further clarity regarding the removal of the Auditor-General from this proposed new act as well as ensuring that the Integrity Commissioner is appropriately referenced and provided with required powers under this new legislation.

The proposed commencement date for the Integrity and Other Legislation Amendment Bill 2022 is by proclamation for the various provisions except those in relation to the Integrity Commissioner receiving copies of declarations of interest. These sections, sections 50 and 56, will commence when the new Public Sector Act commences.

I also wish to advise that I have been asked by the Attorney-General and Minister for Justice to move amendments to the Magistrates Act 1991 during consideration in detail to rectify an urgent matter. While I note that these amendments are outside the topic of the discussion of the bill before the House, the amendments I have been requested to move are important and time critical. The amendments will retrospectively validate the appointments of and any relevant exercise of jurisdiction by three acting magistrates who were invalidly appointed because they were over 70 years of age at the time of their appointment. The amendments will provide certainty in relation to the validity of decisions made by those acting magistrates.

I note with interest that there was also no statement of reservation or dissenting report to the report with respect to the Integrity and Other Legislation Amendment Bill. I can only once again assume that those opposite will be supporting these new measures, which is interesting because in respect of the office of the Integrity Commissioner the track record of those opposite is seriously questionable. Even though the CCC released a report which methodically went through the issues surrounding a laptop in the Integrity Commissioner's office, there has been absolutely no apology by the opposition or the Leader of the Opposition for their outrageous comments about 'goon squads' and 'raids'. They still carry on to this day about the contents of the laptop as if there were some secret conspiracy, like it was a Hollywood blockbuster event! Those opposite might like to take the opportunity during the debate—

Opposition members interjected.

Ms GRACE: Listen to them all, Madam Deputy Speaker. They should be embarrassed. Those opposite might like to take the opportunity during the debate today to rectify their past actions and claims. For example, it is open to these opposite to apologise for their outrageous scaremongering comments and to apologise for their savage cuts to the Public Service.

In respect of the substantive elements of the bills before the House, those reforms are part of an overall package of reforms being progressed by the Palaszczuk government to ensure that our public sector workforce is covered by a legislative framework that is modern, simplified and employee focused and ensure that Queensland has a strong, independent and robust integrity system.

I commend these two bills introduced by the Premier to the House. I look forward to the debate and hopefully—I will not hold my breath—the apologies with regard to the outrageous misinformation by those opposite. I commend the bills to the House.