

Issues List for Settlement Submissions relevant to Mr Michael Reid

Issue

- 10. What consideration did Mr Reid give to recommending to the Honourable Mr Lucas and the Honourable Mr Swarten on 8 September 2010 (SB Vol. 3, pp301-302) that they approve the execution of the Supplemental Deed?**

SUBMISSION

1. Deputy Premier, Minister Lucas sought assurance from Mr Reid that the Settlement Deed was appropriate to execute on behalf of the State of Queensland. Minister Lucas was correct to seek this advice. He did not personally have the necessary knowledge and could not be expected to acquire the knowledge himself even though the recommendation to the CBRC was his. Mr Lucas was entitled to rely upon Mr Reid's advice. Mr Lucas did not expect Mr Reid himself to have or to personally acquire the knowledge to so advise. See Transcript 30/5/13 P35-36 L22-40.

“In asking Mr Reid to make a recommendation, and I suggest to you that you obviously expected him to, act upon advice to make that recommendation?---Yes, he wasn't an IT expert. You didn't expect to him to have sufficient personal knowledge of the problems to, for example, even write the submission you see himself?---Well, I would doubt that Mal Grierson would have written it either, it would have been written by people for them - - - Thank you--- - - - based upon that advice, but I expected them to get the advice.”

2. Mr Reid did take advice from Mr Walsh who was Executive Program Director of the Payroll Stabilisation (and later Improvement) Project. He was the appropriate person from whom to take advice. He was the officer within Queensland Health who was consulted in the preparation of the CBRC submission leading to the decision of 22 July 2010. Mr Walsh did not express any concerns to Mr Reid that he was not adequately involved in the consultation over the appropriateness of the settlement options. See Transcript 28/5/13 P33-10 L48-55.

3. Mr Reid believed it was Mr Walsh who advised him that the joint submission to the Ministers was appropriate for him to sign. See Transcript 28/5/13 P33-15 L15-19 and paragraph 16 of Mr Reid's Statement - Exhibit 143.
4. It is apparent that Mr Walsh saw the submission after it had been written presumably by someone in Public Works (See Attachment 1 and paragraph 4 of Exhibit 162); that Mr Walsh carefully analysed it (Attachment 4) and, from Queensland Health's perspective, approved it.

Issue

11. Did such consideration by Mr Reid constitute adequate consideration so as to protect the interests of the State in entering into the Supplemental Deed?

SUBMISSION

1. In our submission the answer is yes. It would be as unreasonable to demand of the Minister that he personally acquire the knowledge to make the recommendation as it would be to require it of Mr Reid.
2. It is appropriate that the Director General give advice to his Minister but it is not expected that the Director General acquire the personal knowledge rather than to seek advice and act upon it.
3. Mr Walsh did not advise Mr Reid that his recommendation that the submission to the Ministers be signed was in any way curtailed by either limited consultation or curtailed consideration of the issues contained in the joint submission.
4. The correspondence between Mr Walsh and Mr Harradine, whilst not apparently explored by the Commission, suggests additional consultation by Mr Walsh and not a blind acceptance of the submission.

Peter Ambrose QC

11 June 2013