

# 1991 Cabinet Minutes

## Background report

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In 1991 Queenslanders witnessed more of the international conflict, economic upheaval and significant changes to the world order – and to domestic affairs – heralded in the previous year.

The Gulf War began in mid-January with the bombing of Baghdad and Iraqi-occupied positions in Kuwait by US-led forces, ending six weeks later with Iraq's capitulation. By mid-year the decades-long Eritrean war of independence against Ethiopia ended, while hostilities commenced in the Balkans as both Slovenia and Croatia seceded from Yugoslavia. US President George HW Bush and Soviet President Mikhail Gorbachev signed the START I arms reduction treaty; weeks later, an attempted coup against Gorbachev by hard-line Soviet officials came to a faltering end in Moscow.

Later in the year a Paris peace agreement ended Cambodia's civil war, while Taiwan conducted its first free national assembly elections. After its constituent republics began breaking away, the Soviet Union was officially dismantled and the Commonwealth of Independent States formed; Gorbachev resigned as Soviet leader on 25 December. In other notable events, the world's first website, created by British computer scientist Tim Berners-Lee, was published on the internet. Seattle grunge band Nirvana released their ground-breaking 'Nevermind' album; it would sell over thirty million copies.

In Australia the year began with nationwide protests against military involvement in the Gulf War, and concluded with a brief visit by President Bush, the first US presidential visit here since Lyndon Johnson 24 years earlier. In popular culture both *The Simpsons* and David Lynch's *Twin Peaks* premiered on Australian television in the space of eight days in February.

Former Governor-General Sir John Kerr passed away in Sydney in March. Next month the Royal Commission into Aboriginal Deaths in Custody delivered its final report; no prosecutions resulted from the inquiry. Months later the Council for Aboriginal Reconciliation was established as a federal statutory authority, with Patrick Dodson as inaugural chair of the forerunner to Reconciliation Australia. At the year's end low-cost domestic carrier Compass Airlines ceased operations.

Weeks before the Labor Party's centenary national conference in Hobart in June, news emerged of a 'Kirribilli agreement' consented to by Prime Minister Bob Hawke for transition of the ALP leadership. Days later Deputy Prime Minister Paul Keating unsuccessfully challenged Hawke for the leadership, then resigned from Cabinet. Despite declaring he'd 'fired his one shot', Keating again challenged for the leadership in December and succeeded; he was sworn in as Prime Minister on 20 December.

In the Sunshine State floodwaters in the wake of Tropical Cyclone Joy swamped inland and coastal Central Queensland – Rockhampton especially – in January. A flood emergency was declared in the Gulf country, prompting joint State-Commonwealth disaster relief to assist inundated communities (Decision 988; 'Emergency food for flood towns', *Sunday Mail*, 20 January 1991). Towards the year's end Cabinet repeatedly considered aid measures for rural residents and businesses in Southern and Western Queensland living through prolonged drought conditions (Decisions 1530, 1580, 1645, 1774, 1810, 1819, 1873, 1876, 1877).

February saw large demonstrations in Brisbane by state public sector unions frustrated at review processes imposed by the Public Sector Management Commission (PSMC); anger was directed particularly at Commission Chair, Dr Peter Coaldrake ('Public service Enemy No. 1: Coaldrake's toughest assignment', *Sunday Sun*, 24 February 1991). If this event was any indication, it seemed the Goss government's extended 'honeymoon' period came to an end early in this year (Wanna, p380).

Better news for the Labor Party came at the 23 March local government elections, when political 'novice' Jim Soorley surprisingly defeated incumbent Liberal Sallyanne Atkinson to become Lord Mayor of Brisbane City Council. Labor candidates also won a majority of the capital's council wards.



Queensland  
Government

At these elections voters cast ballots in a referendum on four-year state parliamentary terms; the proposal was narrowly defeated, surprising few after a low-key effort to promote it ('A spurned Sallyanne lashes out at Labor'; 'Setback for Goss govt', *Sydney Morning Herald*, 25 March 1991).

High-profile trials of public, business and underworld figures, some arising from Fitzgerald Inquiry testimony, continued this year. In April former National Party Minister Geoff Muntz was sentenced to twelve months' jail for misappropriating public funds. Days later the Brisbane Supreme Court jury in Sir Leslie Thiess's defamation trial against Channel Nine found the magnate had bribed former Premier Sir Joh Bjelke-Petersen with gifts to secure government contracts ('Courtroom nemesis of a corporate giant', *Australian Financial Review*, 6 May 1991).

In June former Nationals Minister Russell Hinze died from bowel cancer before his corruption case went to trial. Former Police Commissioner Terry Lewis was sentenced in August to fourteen years in prison for forgery and taking bribes. The most prominent of these cases began in Brisbane's District Court in late September when Sir Joh Bjelke-Petersen faced trial charged with perjury before the Fitzgerald Inquiry. The trial ended with a hung jury and no verdict; it emerged that jury foreman, Luke Shaw, was a Young Nationals member and reportedly connected with the 'Friends of Joh' group ('The jury's still out on a new trial for Sir Joh', *Sydney Morning Herald*, 21 October 1991).

State and federal ALP figures gathered in Barcaldine in May for the centenary of the 1891 shearers' strike. Premier Wayne Goss gave an address there in which he warned the Labor Party was 'losing touch' with parts of the electorate – a message not well received by the Prime Minister ('Death rites premature, Hawke says', *Canberra Times*, 5 May 1991). Regardless of any strain in relations, when Hawke faced the first of Keating's challenges a month later, he was assured by Queensland ALP powerbrokers of majority support from the state's federal Labor MPs (Walker, pp192-196).

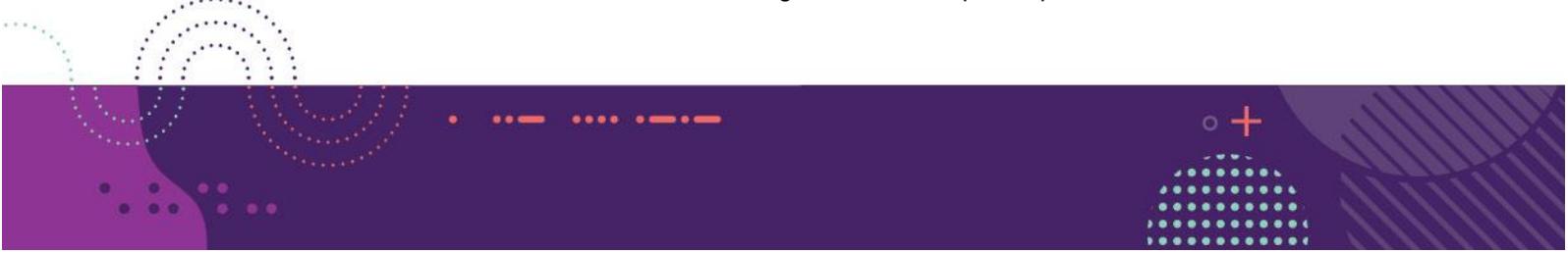
After the resignations in April of the Members for Nundah (Labor's Phil Heath, for personal reasons) and Toowoomba South (the Nationals' Clive Berghofer, forced to vacate the seat to keep his position as Toowoomba mayor), by-elections were held on 18 May which saw both seats retained. In the government's first electoral test since winning the December 1989 state election, a 14 per cent swing away from the government made the Nundah result particularly tight – Labor's Terry Sullivan won the contest by just 120 votes from the Liberals' John Hood, in a field of candidates that included morals campaigner Rona Joyner running for Fred Nile's Call to Australia Party ('Result spells gloom for Libs', *Sunday Mail*, 19 May 1991).

In lighter circumstances, mid-year the Premier rubbed shoulders with Hollywood stars – including Clint Eastwood, a Goss 'favourite' – at the opening of Warner Bros. Movie World at Oxenford on the Gold Coast. At various times this year Cabinet approved the development or expansion of social infrastructure in different parts of the state, from Townsville's new entertainment centre (Decisions 1475, 1612, 1760) to Brisbane's proposed South Bank piazza, new Convention and Exhibition Centre, and enlarged Gabba cricket ground (Decision 1072; Decision 1463; Decisions 1686, 1727, 1833).

The government backed away from its 'permanent' introduction of daylight saving, legislated in the previous year, instead declaring its intention to hold a referendum on the matter the following year. Wavering from his earlier steadfast position, the Premier relented in the face of continued regional opposition (including from Labor's own regional MPs) to the measure, admitting in Parliament that he'd 'made a mistake' (Queensland Parliament, *Record of Proceedings*, 2 October 1991).

Amid concerns over the Liberal Party's 'direction' and low standing in opinion polls, on 11 November relative newcomer Joan Sheldon challenged and replaced Denver Beanland as Liberal Party leader. Sheldon became Queensland's first female parliamentary party leader and the first woman to lead the Liberal Party at state, territory or federal level in Australia. Beanland had led the Liberals for only eighteen months at the time of the challenge; Sheldon had been in Parliament for even less time ('Woman top Lib quiet on Nats reunion', *Courier-Mail*, 12 November 1991).

In December the Criminal Justice Commission (CJC) reported on its year-long investigation of misuse of parliamentary travel expenses. While the CJC report did not 'name names', it suggested several former and current MPs had, knowingly or otherwise, misused their travel entitlements, detailing examples of the 'widespread abuses'. Amid speculation that the media might 'out' MPs who'd had their expenses investigated, Nationals leader Russell Cooper surprised many by volunteering that he was on the CJC 'list' and announced he would resign his leadership. Cooper was succeeded as



leader by his deputy, Surfers Paradise MP Rob Borbidge, on 10 December ('Borbidge gets off to a dream start', *Courier-Mail*, 11 December 1991).

With pressure on Labor MPs to 'come clean' in Cooper's footsteps, Ministers Terry Mackenroth and Ken McElligott both resigned from Cabinet (along with Deputy Speaker Clem Campbell), also on 10 December ('Sad' Goss gets tough over travel rorts', *Courier-Mail*, 11 December 1991). A ministerial reshuffle ensued to accommodate the incoming Tony McGrady (who took on Resource Industries) and Ken Hayward (given the Health portfolio). The political embarrassment brought about by the expenses scandal caused already cool relations between the Premier and CJC chairman Sir Max Bingham to strain further (Wanna, pp381-382).

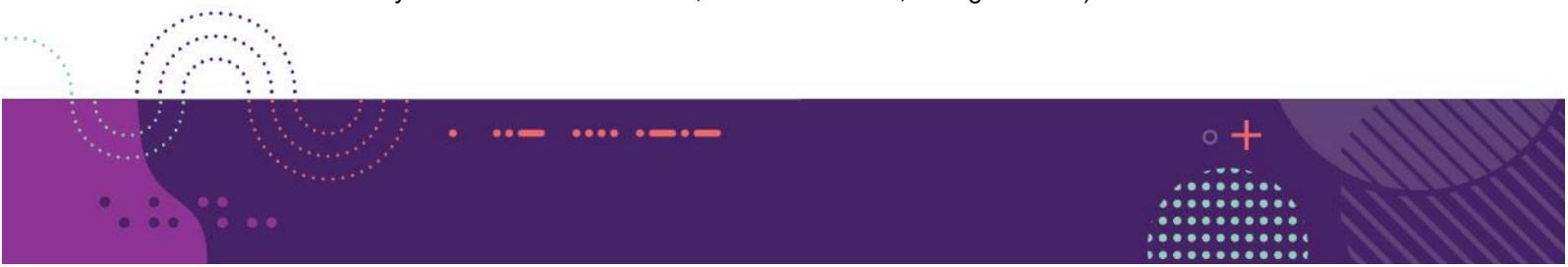
This year was again marked by the Labor administration's occasionally landmark but overall gradual and methodical reform agenda. Contemporary observers noted that the government's social reform program slowed after the previous year's headway and appeared at times overly cautious, citing 'tame' responses to issues such as anti-discrimination and regulation of prostitution (Stevens and Wanna, p7). It was still, though, a busy agenda, with one hundred pieces of legislation passed in the Parliament this year. Combined with the previous year, when 110 laws were enacted, the first two full years of the Goss government's entire period in office were its most legislatively 'productive'.

Longstanding Labor policy to introduce 'pokies' to Queensland was realised with the passage of the Gaming Machine Act in March, after lengthy public debate and a cautionary CJC report on the issue. Cabinet devoted considerable effort to the drafting of 'responsible' laws and regulatory safeguards for poker machines' eventual rollout to licensed clubs (Decisions 1029, 1090, 1219, 1259, 1784; 'Pokies in July: Gibbs', *Courier-Mail*, 14 March 1991). Cabinet's attention was also, notably, drawn to preparation of a Peaceful Assembly Bill (Decisions 1627, 1689, 1715), after the Electoral and Administrative Review Commission (EARC) reported its recommendations to fully reinstate the right of Queenslanders to express peaceful protest – a right at one time effectively denied to residents of this state by a former Premier's decree.

Important reforms for government accountability and administrative transparency were initiated in this year, bringing Queensland into line with other Australian jurisdictions in these respects. The final legislation passed in Parliament for the year was the Judicial Review Act, giving members of the public a right to judicial review of administrative decisions (Decisions 1509, 1518, 1611, 1744, 1770). In a similar vein, near the year's end a Freedom of Information Bill was approved by Cabinet, which would allow members of the public a right of access to certain government agency documents (Decisions 1608, 1717, 1782). Both these and other laudable initiatives were criticised by some, however, as stopping short of fully delivering on their promise. This underlined, for a growing number of Queenslanders in this year, a sense of frustration that the pace and extent of reforms was not matching the (extremely) high expectations that came with the Goss government's election.

Arguably, the plainest example of that was the government's enacting of land rights legislation for Aboriginal and Torres Strait Islander peoples of Queensland (Decisions 1170, 1175, 1180, 1256, 1257). Critics were quick to point out how limited proposed rights were, being restricted to 'unused' Crown lands and seemingly differing little from prior access to land under Deed of Grant in Trust provisions (Stevens and Wanna, pp194-195; 'Goss takes the hard road and gets no thanks', *Canberra Times*, 27 May 1991). Disappointment and anger with the government's approach bubbled over in May when land rights protestors attempted to burst through Parliament House gates ('Blacks storm Parliament in rights protest', *Courier-Mail*, 24 May 1991). Significantly, in the background to this issue, preliminary proceedings in Eddie Mabo's High Court case continued, with Cabinet at the same time deliberating the government's defence in that matter (Decision 1087). The death on 29 August of Wik elder, John Koowarta – plaintiff against former Premier Bjelke-Petersen in an earlier landmark High Court case in 1982 – added poignancy to the land rights issue.

Cabinet members were equally conscious of balancing various community expectations after Tony Fitzgerald's inquiry report into K'gari (Fraser Island) logging and conservation management was delivered in May. Support measures for workers and local businesses impacted by the government's intention to cease logging operations attracted repeated attention in Cabinet; K'gari's old growth forests were protected come the year's end, in line with Fitzgerald's recommendations, paving the way for the island's later World Heritage listing (Decisions 1289, 1290, 1409, 1418-1430, 1534-1551; 'Goss will stand by 'sacked' timber workers', *Canberra Times*, 2 August 1991).



In August the EARC released its much-awaited redistribution of electoral boundaries for Queensland's 89 state electorates, including recommended vote weightage for five remote seats. This followed the passing in April of the Electoral Districts Act, which among other provisions abolished the state's malapportioned system of zonal representation (Decisions 1088, 1156; 'Electoral Bill marks gerrymander's death', *Courier-Mail*, 10 April 1991). Amendments were made to Queensland's electoral laws allowing the redistribution to take effect; significantly, the potentially thorny issue of optional preferential voting – as recommended by the EARC – was left in place (Decision 1513).

The Cabinet Budget Review Committee continued its periodic departmental expenditure reviews imposing 'efficiencies', with an eye still on recessionary economic conditions impacting the state. Indeed, Cabinet at different times considered options for government responses to the economic downturn (Decisions 987, 1131, 1287), while also deliberating on preparations for the government's second budget, delivered in mid-July by Treasurer Keith De Lacy (Decisions 1073, 1444). Cabinet also acted on an earlier PSMC recommendation to establish the Queensland Investment Corporation as a stand-alone statutory authority separate to the Queensland Treasury Corporation (Decisions 1020, 1052, 1167).

In addition to these structural administrative changes, the Goss government continued restructuring Queensland's public service, in many ways further centralising authority and policymaking capacity in the Premier's Department. This was quite obviously the ambition for the creation of an Office of the Cabinet, modelled on the same coordinating agency at the centre of New South Wales Premier Nick Greiner's administration. The 'Cabinet Office' became operational on 1 July, under the leadership of newly appointed Director-General (and Goss's former Chief of Staff), Kevin Rudd.

Cabinet Handbook procedures were amended to reflect the operations of the new Cabinet Office, including changes to the form and content of Cabinet submissions (Decisions 1378, 1532, 1787, 1824). Once changes took hold, some mixed reactions to an increased focus on 'process' was noted from certain quarters of the bureaucracy, as well as from some Cabinet members; opinions were variously expressed that government in Queensland was driven by Goss and Rudd in tandem (Scott et al, pp176-183; Stevens and Wanna, pp43-44).

## References

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