

QUEENSLAND RACING COMMISSION OF INQUIRY

AFFIDAVIT OF JUSTIN CRAIG MURPHY

I, **JUSTIN CRAIG MURPHY**, c/o Crown Law, State Law Building, 50 Ann Street, Brisbane in the State of Queensland, Acting Director (Tertiary Education and Training Strategic Policy and Portfolio Relations, Department of Education, Training and Employment), states on oath:

Role

1. I am currently the Acting Director (Tertiary Education and Training) in the Department of Education, Training and Employment.
2. During the period 1 January 2007 to 30 April 2012 the roles that I fulfilled were:
 - (a) Before February 2007 I was Director, Tourism Strategy Division, Department of Tourism, Fair Trading and Wine Industry Development. I had no involvement with the racing industry in that time.
 - (b) From February 2007 to February 2008 I was the Director, Coal Infrastructure Taskforce, Department of Infrastructure and Planning. I had no involvement with the racing industry in that time.
 - (c) From February 2008 until 6 February 2012 I was the Director of the Economic Policy Division in the Department of the Premier and Cabinet.
3. Within the policy division in the Department of the Premier and Cabinet, there are a number of teams that are responsible for different portfolios. The portfolios are generally aligned with departmental structures. The Office of Racing was within my team's portfolio.
4. In addition, I was responsible for policy issues related to industrial relations, employment, training and higher education, public works (including ICT) and tourism. Between July and November 2010 I led a review of the whole of government Shared Services model.

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Signed:

Deponent

Affidavit of Justin Murphy

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GR Cooper
CROWN SOLICITOR
11th Floor, State Law Building
50 Ann Street
Brisbane Qld 4000
Telephone 07 3239 3734
Facsimile 07 3239 3456

5. As Director of the Economic Policy Division, my primary role was to liaise with departments on policies and prepare briefing notes for the Premier regarding Cabinet and Cabinet Budget Review Committee ('CBRC') submissions.
6. There were several policy officers within my team who reported to me. I reported to the Executive Director who in turn reported to the Associate Director-General and the Director-General.
7. I did not provide verbal or other direct briefings to the Premier or the Treasurer. Any direct briefings would have been provided by the Executive Director, Associate Director-General or the Director-General.

Contact with racing entities

8. To the best of my recollection, I did not have any contact with officers or employees of the racing control bodies between January 2007 and April 2012. My contact was limited to interactions with staff of the Office of Racing and Queensland Treasury for the purpose of consultation on the Cabinet and CBRC submissions or the other matters addressed in this statement.

Cabinet Submissions and Cabinet Budget Review Committee Submissions

9. Generally, the process for Cabinet and CBRC submissions was as follows:
 - (a) My team would often receive a copy of draft Cabinet or CBRC submissions and provide initial feedback to the relevant department.
 - (b) The relevant department would then usually, but not always, lodge an 'advance' version of the submission to the Cabinet Secretariat, which would be held for a period of 2 weeks. In that time, my team would receive a copy of the advance submission for consultation and we would prepare a briefing note for the Executive Director and Associate Director-General. The recommendations detailed in this briefing note would be made available to the relevant Department to inform further development of the submission.
 - (c) Where a matter was considered urgent, the "advance submission" process was dispensed with (subject to the approval of the Premier).
 - (d) The relevant department would lodge a final copy of the submission to the Cabinet Secretariat, which would be held for a period of 1 week before consideration by Cabinet or CBRC. My team would receive a copy of the final submission and we would prepare

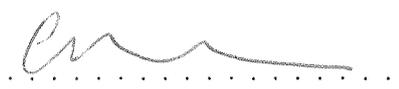
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the final briefing note for the Premier. These final briefing notes were referred to as 'yellows' and they were usually limited to one page. The 'yellows' were provided to the Premier and usually circulated to all Ministers via the Cabinet Secretariat.

- (e) The briefing notes prepared would summarise the key aspects of each submission, provide the department's position and detail a recommended course of action to the Premier. Preparation of the final Cabinet or CBRC briefing note represented the final stage in the Cabinet or CBRC process of consultation.
- 10. For matter related to my portfolio areas, the briefing note would be prepared by me or another member of my team. The team member who took the lead on a particular submission would sign the briefing note. If I did not lead the preparation of a briefing note, it would be prepared by one of my team in consultation with me prior to being provided to the Executive Director for approval. The Associate Director-General and Director-General would also approve the briefing note prior to consideration by the Premier.
- 11. Changes may have been made to the briefing note through the approval process, but it would be unusual for significant changes to be made without consultation with my team.
- 12. For convenience and ease of understanding, I address the various submissions I have been asked to comment on in chronological order.

Cabinet Budget Review Committee Submission No 3756 for 26 November 2009

- 13. I am listed as a consultee for the Department of the Premier and Cabinet on page 34 of CBRC Submission 3756 and I recall being involved in the consultation process.
- 14. I have located a bundle of emails received and sent by me in relation to this submission. Those documents are attached and marked 'JM-1'. The emails are self-explanatory and demonstrate my involvement in the consultation about this submission. In particular, they show that:
 - (a) I received a copy of the draft submission for review from Carol Perrett by email on 28 July 2009.
 - (b) I emailed Carol Perrett on 6 August 2009 seeking an updated on the submission and she responded on 7 August that there was no update.
 - (c) I received further copies of the draft submission from the Office of Racing on 7 September 2009, 19 October 2009 and 26 October 2009. The email of 19 October 2009 sought my feedback on the draft submission.

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- (d) On 26 October, Nick Lindsay and Carol Perrett exchanged emails regarding information required in relation to our brief to the Premier about the submission.
15. I emailed Carol Perrett at the Office of Racing on 26 October 2009 with my comments on the draft submission. A copy of the email is attached to my statement and marked 'JM-2'. The email records my comments on the draft submission and the document is self explanatory. I may have consulted verbally with the Office of Racing about the draft submissions sent to me earlier, but this email was the first detailed response I made to the draft submission. My major concern, as set out in the email, was that insufficient analysis had been undertaken on the 'Queensland Racing Industry Issues Paper', prepared by Queensland Racing. I felt that it should be independently reviewed and analysed.
 16. I have also located a further bundle of emails received by regarding this submission after my comments to Carol Perrett. Copies of the emails are attached and marked 'JM-3'. The emails are self-explanatory and demonstrate my involvement in the consultation about this submission after my initial comments of 26 October 2009.
 17. I expect that the Office of Racing would have considered my comments and made some changes to the draft submission before it was formally lodged with the Cabinet Secretariat. However, given the nature of my comments, it is unlikely that all of them would have been addressed. That is particularly so given the tight time frames.
 18. I have not been able to locate a copy of any advance submission or briefing note on an advance submission. This indicates to me that the submission was brought directly as a final submission without undertaking the advance lodgement process.
 19. I did prepare a briefing note to the Premier setting out the department's position and my advice about the final submission. A copy of the briefing note is attached and marked 'JM-4'.
 20. The briefing note sets out my advice to the Premier regarding CBRC Submission 3756 and is self explanatory. In particular, I recommended that the submission not be supported, for the reasons outlined in paragraphs 10 to 13 of the briefing note.
 21. I cannot specifically recall, but I most likely consulted with Queensland Treasury in relation to the submission. It was my practice to consult with Queensland Treasury in appropriate cases, because more weight would be given to briefing note recommendations if both agencies did not support the submission.

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Cabinet Submission No 7290, for 22 February 2010

22. I, along with Nick Lindsay and Shelley Francis, am listed as a consultee for the Department of the Premier and Cabinet on page 13 of the submission. I would inevitably have been involved in the consultation for this submission as part of the team structure, but I do not recall having detailed involvement with it.
23. Nick Lindsay, a member of my team who reported to me, led our work in relation to this submission in consultation with me. Shelley was not part of my team – she is the Parliamentary Liaison Officer. The role of the Parliamentary Liaison Officer is to work with the Parliament to schedule the timing of debates and the consideration of legislation. The Parliamentary Liaison Officer would have been consulted as part of the normal process for taking forward an authority to prepare legislation submission. The role of the Parliamentary Liaison Officer does not include providing policy advice.
24. I have located a bundle of emails received and sent by me regarding this submission or the background to this submission. The emails are attached and marked ‘JM-5’. The emails are self-explanatory and demonstrate my involvement in the consultation about this issue. In particular, they show that:
- (a) On 29 January 2010 Nick Lindsay and I received a draft submission by email from Carol Perrett. In reply I sought confirmation of the date of advance lodgement and was advised by Carole Perrett the date for Cabinet consideration was 22 February 2010 and Nick responded with comments.
 - (b) On 31 January 2010 Carol Perrett confirmed that Nick’s comments would be addressed in the final submission, but not in time for the advance copy.
 - (c) On 1 February 2010 Nick Lindsay emailed Carol Perrett with queries regarding the drafting instructions and she responded on 3 February 2010 with a further explanation.
 - (d) On 5 February 2012, Carol Perrett responded to queries that I raised regarding the country racing advisory bodies.
 - (e) I was copied into emails sent by Nick Lindsay on 9 February 2010 regarding our draft briefing note on the submission, including comments that Nick Lindsay made to Carol Perrett about the submission.
 - (f) On 12 February 2010 I received an updated version of the submission from Carol Perrett that she said addressed our earlier comments.
25. Nick Lindsay prepared a briefing note about the advance submission dated 5 February 2010. The briefing note is self explanatory and sets out the department’s position and Nick’s advice

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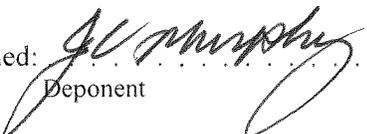
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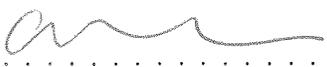
to the Premier regarding the advance submission. A copy of that document is attached and marked 'JM-6'.

26. Nick Lindsay also prepared a briefing note regarding the final submission dated 17 February 2010. The briefing note is self explanatory and sets out the department's position and Nick's advice to the Premier. A copy of the briefing note is attached and marked 'JM-7'.
27. Nick Lindsay would have consulted me in the preparation of the briefing notes, but he took primary responsibility for advising the Premier regarding the department's position on this submission.

Cabinet Submission No 7372, for 14 April 2010

28. I, along with Nick Lindsay and Shelley Francis, am listed as a consultee for the Department of the Premier and Cabinet on page 12 of this submission.
29. I have located a bundle of emails received and sent by me regarding this submission. The emails are attached and marked 'JM-8'. The emails are self-explanatory and demonstrate my involvement in the consultation about this submission. In particular, they show that:
 - (a) I received a copy of a draft letter to the Premier from Carol Perrett for review and comment on 3 March 2010 and there were email exchanges between Nick Lindsay, Carol Perrett and me regarding the draft letter on that day and the next day.
 - (b) On 3 March 2010, Carol Perrett and I exchanged emails regarding this submission and the fair treatment of minor codes.
 - (c) I received a copy of the draft submission from Carol Perrett by email on 12 March 2010 and 19 March 2010
 - (d) I was copied into other correspondence between Carol Perrett and Nick Lindsay regarding the submission and provided some instruction to Nick Lindsay regarding the submission.
30. Nick Lindsay prepared a briefing note about the advance submission dated 29 March 2010. The briefing note is self explanatory and sets out the department's position and Nick's advice to the Premier regarding the advance submission. A copy of that document is attached and marked 'JM-9'.
31. I have been shown a bundle of emails received and sent by me after the advance submission briefing note. The emails are attached and marked 'JM-10'. The emails are self-explanatory.
32. I have also been shown a briefing note about the final submission that includes my name as action officer dated 9 April 2010. One of the emails in exhibit JM-10 indicates that Nick

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Lindsay was away at the time the final briefing note was prepared and that is likely to be the reason why I signed it. I believe Nick Lindsay led the consultation for this submission, but it is likely that I was involved in discussions regarding the submission as part of the team and I signed off on the final briefing note. The briefing note is self explanatory and sets out the department's position and my team's advice to the Premier. A copy of the briefing note is attached and marked 'JM-11'.

33. Following the passage of the passing of the Bill in Parliament, the Governor requested a briefing about it before giving her assent. I have been shown a bundle of emails received and sent by me after the Bill was passed regarding the Governor's briefing. The emails are attached and marked 'JM-12'. The emails are self-explanatory.

Cabinet Budget Review Committee Submission No 4210 for 7 July 2011

34. I do not recall that I was deeply involved in the consultation for CBRC Submission 4210. Nick Lindsay was primarily responsible for preparing the Premier's briefing note. I note that Nick was listed as a consultee on page 17 of the submission but I was not.
35. I have located a bundle of emails received and sent by me regarding this submission. The emails are attached and marked 'JM-13'. The emails are self-explanatory and demonstrate my involvement in the consultation about this submission.
36. I have been shown a briefing note prepared by Nick Lindsay regarding the final submission. The briefing note is self explanatory and sets out the department's position and my team's advice to the Premier. A copy of the briefing note is attached and marked 'JM-14'.
37. I was not responsible for preparing the briefing note to the Premier about the submission. However, it is likely Nick Lindsay would have discussed the draft briefing note with me and it is also likely that I was involved in discussions regarding the submission as part of the team. I cannot recall the detail of any such discussions.
38. Also attached is an email from the Executive Director to Nick Lindsay and me on 30 June 2011 regarding this draft submission. A copy of that email is attached and marked 'JM-15'. The email is self-explanatory.
39. I have been unable to locate any documents containing preliminary comments on the draft submission or a briefing note about an advance submission. The letter from Minister Mulherin to the Premier in exhibit JM-15 sought approval to bring an urgent submission without complying with the lodgement procedures outlined in the Cabinet Handbook. This letter, and the short time frames between receiving the draft submission and preparation the

final briefing note, indicates to me that approval was given to Minister Mulherin to bring the submission directly as a final submission without undertaking the advance lodgement process.

Matter to note or briefing on 30 January 2012

40. I cannot recall details regarding this matter to note. However, I have located a bundle of emails sent or received by me in relation to the Matter to Note. The emails are attached and marked 'JM-16'. The emails are self-explanatory and demonstrate my involvement in advising on the Matter to Note. In particular, they show that:
- (a) I received a copy of the matter to note on 25 January 2012 and forwarded it to the Executive Director and Nick Lindsay indicating that it was unusual to allocate \$22m by a Matter to Note.
 - (b) Nick Lindsay emailed me on 27 January 2012 at 11:55am with dot point notes about the Matter to Note.
 - (c) I emailed the Executive Director with comments on the Matter to Note on 27 January 2012 at 2:34pm. The dot points in Nick's email formed the basis of my email to my Executive Director and the department's advice.

Business Cases

41. I do not recall having any significant involvement with the business cases. The analysis of the business cases was a matter handled by Queensland Treasury, not the Department of the Premier and Cabinet.
42. The Mackay business case was approved as part of CBRC decision 3255 (Submission 4210). Therefore, my team would have been aware of that business case when providing advice about that CBRC submission. However, I do not recall analysing the business case in detail.

Other relevant matters

43. I have located a copy of an email sent from Kirsty Karauria to me regarding the Product and Program Agreement on 14 August 2009. A copy of that email is attached and marked 'JM-17'. The email attached a copy of the Product and Program Agreement. I cannot recall why I received a copy of this document but it may have been as part of the consultation on CBRC Submission 3756.

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44. I have located a copy of an email sent from Nick Lindsay to me about the QR Case for Change document dated 18 November 2009. A copy of that email is attached and marked 'JM-18'. The email attached a copy of comments on the Case for Change document. I cannot recall why I received a copy of this document but it may have been as part of the consultation on Cabinet Submission 7290.
45. During the relevant period, I was also involved in other matters concerning the racing industry including:
- (a) receiving updates from the Office of Racing regarding the litigation involving Mr Bob Bentley and Queensland Harness Racing regarding Albion Park;
 - (b) consulting and briefing on a Cabinet Submission for the *Racing Amendment Bill 2008* in February 2008; and
 - (c) consulting and briefing on a CBRC Submission for Cluden Park racecourse funding;
 - (d) consulting and briefing on a Cabinet Submission for the Race Fields legislation in August 2008.
46. These matters are not directly relevant to the request I received from the Commission for my statement so I have not sought to explain my involvement in detail. However, I can provide further information about my involvement in these matters upon request.

Magic Millions CBRC submission

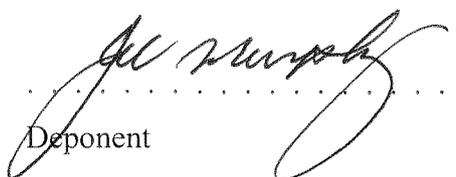
47. I have located documents relating to a CBRC Submission in June 2010 dealing with funding for the Magic Millions. I was involved in the consultation for that process. Attached and marked 'JM-19' are documents that have been located relating to my involvement with this submission. They are self-explanatory and explain my involvement in this submission.

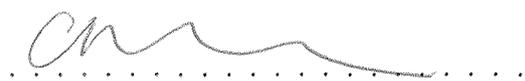
Draft CBRC submission re flood remediation funding

48. I have been shown an email dated 10 February 2011 from Nick Lindsay to Carol Perrett providing comments on a draft CBRC submission. A copy of the email is attached and marked 'JM-20'. The email is self-explanatory and contains my team's preliminary comments on a draft submission about funding for flood remediation. I am copied into the email because I was Nick's supervisor at the time.
49. Also relevant to this submission is an email from Samuel Blake of Queensland Treasury to Carol Perrett and copied to me on 10 February 2011 at 9:00am. A copy of that email is attached and marked 'JM-21'.

50. A copy of the draft CBRC submission is attached and marked 'JM-22'.
51. A copy of an email from me to Nick Lindsay with my comments on the draft submission is attached and marked 'JM-23'.
52. I believe that this draft submission may not have proceeded because an alternative strategy was adopted for the funding whereby the Treasurer approved an advance of funds from the Racing Industry Capital Development Scheme. I have formed this view on the basis of the letter from the Treasurer to the Minister for Agriculture, Food and Regional Economies dated 7 March 2011 approving the flood remediation and health and safety funding for country racing clubs. A copy of that letter is attached and marked 'JM-24'. The decision of CBRC on 7 July 2011 (3255) endorsed the Treasurer's decision of 7 March 2011 to approve the allocation of funds.
53. All of the facts and circumstances deposed to in this affidavit are within my own knowledge and belief, except for the facts and the circumstances deposed to from information only, and my means of knowledge and source of information appear on the face of this my affidavit.

Sworn by Justin Craig Murphy on 2 September 2013 at Brisbane in the presence of:


 Deponent


 Solicitor/Barrister/Justice of the Peace/
 Commissioner for Declarations
 Catherine Louise McLennan

Signed: 
 Deponent

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 Solicitor/Barrister/Justice of the Peace/
 Commissioner for Declarations