



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

COMMITTEES

Finance and Public Administration Committee

Report

SPEECH

Wednesday, 3 September 2008

BY AUTHORITY OF THE SENATE

SPEECH

Date Wednesday, 3 September 2008
Page 4470
Questioner
Speaker Polley, Sen Helen

Source Senate
Proof No
Responder
Question No.

Senator POLLEY (Tasmania) (5.50 pm)—I present the report of the Finance and Public Administration Committee, *Knock, knock ...who's there? The Lobbying Code of Conduct*, together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator POLLEY—by leave—I move:

That the Senate take note of the report.

Today I table the Finance and Public Administration Committee's report titled *Knock, knock ... who's there? The Lobbying Code of Conduct*. Firstly, I would like to thank Stephen Palethorpe, the committee secretary, and his team, who work so hard for us to be able to present these reports. May I also thank those who put forward submissions, as well as all those witnesses who appeared at our hearing in order to put forward their point of view.

Respect for the institutions of government depends to a large extent on public confidence in the integrity of ministers, their staff and senior government officials. There is a general cynicism in the public about our elected officials. The Lobbying Code of Conduct is a measure that we can use to combat that cynicism relating to transparency within government. This is why this measure is something to be welcomed. Ultimately, it is a tool that will restore the public's confidence in its government.

Increasing the focus on lobbying activities is in the public interest as many citizens are unaware of the complex relationship that exists between lobbyists, their clients and those they are placing representations before. The committee supports the aim of the government to:

... promote trust in the integrity of government processes and ensure that contacts between lobbyists and Government representatives are conducted in accordance with public expectations of transparency ...

The Rudd Labor government recognises that lobbying is a legitimate activity and part of the democratic process. However, what is needed is a mechanism of regulation that balances the rights of interest groups to put forward their point of view and the right of the public to know who is talking to ministers. This

code of conduct represents an appropriate balance between these two aims—that of the public to know of the lobbyists' activities and that of the lobbyists representing interest groups. By requiring lobbyists to register, it adds a layer of transparency that has not existed previously. By making the register available to the public on the website of the Department of the Prime Minister and Cabinet, it makes it even easier for the public to monitor and be aware of lobbyists' activities.

I am pleased to note in the Senate today that there are currently 193 lobbyists on the register. As we heard from our witnesses, a wide variety of organisations welcomed the code. This indicates that there is a high level of support for the transparency that this code effects. Professor John Warhurst said that lobbyists:

... welcome the recognition and legitimacy that tends to follow such government attention.

John O'Callaghan said that the code:

... will lead to improved transparency in dealings between lobbyists and the federal government, providing a higher level of confidence about the processes of government, including government policy making.

Those who appeared before the committee understood that the Rudd Labor government was putting forward a clear code of conduct and lobbyist register aimed at promoting good governance and restoring confidence in the government. Further evidence from witnesses suggested that the code of conduct should go further and be applied through a statute. However, evidence presented to the committee by the Clerk of the Senate suggested that such a course of action would be seen as an encroachment on the separation of powers between the judiciary and the parliament—indeed, even a possible challenge to the freedom of political communication.

As I stated earlier, the main objective of the code of conduct was to ensure transparency in lobbying and was supported by the witnesses who appeared before the committee. The evidence supported a need for a code of conduct to provide transparency and some form of regulation to lobbyists' activities. I understand that this code of conduct is something that is unique in Australian political history. Although there was previously a register of lobbyists in place in Australia from 1984 to 1996, it was not a public

register and it did not include a code of conduct to regulate lobbying practice. What has been introduced by the Rudd Labor government has incorporated both of these. The new Lobbying Code of Conduct and the Register of Lobbyists will help bring our checks on third-party lobbyists up to international standards. Presently, Canada and the United States of America already have registers, and the European Parliament is currently moving to establish a mandatory public register.

In light of the time limits that have been placed on us today, I seek leave to incorporate the remainder of my speech in *Hansard* to enable other members of the committee to make a contribution to the debate.

Leave granted.

The remainder of the speech read as follows—

The implementation of this code is an important step that the Rudd Labor government has taken and they should be congratulated on this important measure of ensuring transparency within government. The registration of lobbyists should be seen as part of the government's determination to restore respect for the institutions of government and improve governance across the public sector. The Register of Lobbyists was foreshadowed in the government's election commitments and is another example of how the Rudd Labor government is delivering on its election commitments.

There are other aspects to the code that warrant discussion. A major element of the code was the introduction of post-employment prohibitions on government and public sector staff engaging in lobbying activities. This extends to ministers and parliamentary secretaries, who no longer will be allowed to engage in lobbying activities until they have been out of office for 18 months. There were various points of view on this issue; however, I feel that placing these limits on post-government employment is the right thing to do. After all, we all benefit from a transparent and accountable government.

Of course, the code has only been in operation since 1 July of this year. As such, the committee felt it was right that an inquiry be conducted into the operation of the code in the second half of 2009. From our hearing, there were aspects of the code that will need to be reviewed; therefore, I support the recommendation to conduct the review late next year. The purpose of the review is to ensure the code of conduct and the register are functioning as intended, including in three areas. The first is coverage of lobbyists. For example, the code has operated for too short a time for us to decide whether the definition of the word 'lobbyist' is adequate. Whether the definition should be expanded further to cover groups not presently covered is something that can be included in the review. The second is the regulatory burden on lobbyists. The last is procedural fairness. Issues such as these can only be decided after the code operates for a period of time.

In conclusion, may I congratulate the government for putting forward the code of conduct and register and for fulfilling

another of its election commitments. I commend this report to the Senate.