

1993 - 94

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

COMMITTEE OF MEMBERS' INTERESTS

REPORT ON THE OPERATIONS OF THE COMMITTEE FOR

1993

COMMITTEE OF MEMBERS' INTERESTS

Membership

Mr E L Grace MP
(Chairman)

Ms M J Deahm MP

Hon J D M Dobie MP

Hon R P Elliott MP

Mr B Lloyd MP

Hon N B Reid MP

Mr R W Sawford MP

Clerk to the Committee

Mr L M Barlin

COMMITTEE OF MEMBERS' INTERESTS

STANDING ORDER 28A ADOPTED BY THE HOUSE OF REPRESENTATIVES ON 9 OCTOBER 1984, a.m.

Committee of Members' Interests

28A. (a) A Committee of Members' Interests shall be appointed at the commencement of each Parliament—

- (i) to inquire into and report upon the arrangements made for the compilation, maintenance and accessibility of a Register of Members' Interests;
- (ii) to consider any proposals made by Members and others as to the form and content of the register;
- (iii) to consider any specific complaints made in relation to the registering or declaring of interests;
- (iv) to consider what changes to any code of conduct adopted by the House are necessary or desirable;
- (v) to consider what classes of person (if any) other than Members ought to be required to register and declare their interests, and
- (vi) to make recommendations upon these and any other matters which are relevant.

(b) The committee shall consist of 7 members, 4 Members to be nominated by either the Prime Minister, the Leader of the House or the Government Whip and 3 Members to be nominated by either the Leader of the Opposition, the Deputy Leader of the Opposition or the Opposition Whip:

Provided that, where the Opposition is composed of 2 parties, the committee shall consist of 4 Members to be nominated by either the Prime Minister, the Leader of the House or the Government Whip, 2 Members to be nominated by either the Leader of the Opposition, the Deputy Leader of the Opposition or the Opposition Whip, and 1 Member to be nominated by either the Leader of the Third Party, the Deputy Leader of the Third Party or the Third Party Whip.

(c) The committee shall elect as chairman of the committee one of the Members nominated either by the Prime Minister, the Leader of the House or the Government Whip.

(d) The committee shall have power to send for persons, papers and records but shall not exercise that power, nor undertake an investigation of the private interests of any person, unless approved by not less than 4 members of the committee other than the chairman.

(e) The committee shall have power to confer with a similar committee of the Senate.

(f) The committee shall, as soon as practicable after 31 December in each year, prepare and table in the House a report on its operations during that year and shall also have power to report from time to time.

HOUSE OF REPRESENTATIVES

REGISTRATION OF MEMBERS'
INTERESTS**Requirements of the House of Representatives**

Resolutions adopted by the House on 9 October 1984 a.m., amended on 21 March 1985, 13 February 1986, 22 October 1986 and 30 November 1988 and having continuing force unless amended or repealed by the House of Representatives

(1) Declaration of Members' interests

That within 28 days of making and subscribing an oath or affirmation as a Member of the House of Representatives each Member shall provide to the Registrar of Members' Interests, a statement of—

- (1) the Member's registrable interests, and
- (2) the registrable interests of which the Member is aware (a) of the Member's spouse and (b) of any children who are wholly or mainly dependent on the Member for support,

in accordance with resolutions adopted by the House and in a form determined by the Committee of Members' Interests from time to time, and shall also notify any alteration of those interests to the Registrar within 28 days of that alteration occurring.

(2) Registrable interests

That the statement of a Member's registrable interests to be provided by a Member shall include the registrable interests of which the Member is aware (1) of the Member's spouse and (2) of any children who are wholly or mainly dependent on the Member for support, and shall cover the following matters:

- (a) shareholdings in public and private companies (including holding companies) indicating the name of the company or companies;
- (b) family and business trusts and nominee companies—
 - (i) in which a beneficial interest is held, indicating the name of the trust, the nature of its operation and beneficial interest, and
 - (ii) in which the Member, the Member's spouse, or a child who is wholly or mainly dependent on the Member for support, is a trustee (but not including a trustee of an estate where no beneficial interest is held by the Member, the Member's spouse or dependent children), indicating the name of the trust, the nature of its operation and the beneficiary of the trust;
- (c) real estate, including the location (suburb or area only) and the purpose for which it is owned;
- (d) registered directorships of companies;
- (e) partnerships indicating the nature of the interests and the activities of the partnership;
- (f) liabilities indicating the nature of the liability and the creditor concerned;
- (g) the nature of any bonds, debentures and like investments;
- (h) saving or investment accounts, indicating their nature and the name of the bank or other institutions concerned;
- (i) the nature of any other assets (excluding household and personal effects) each valued at over \$5,000;
- (j) the nature of any other substantial sources of income;

- (k) gifts valued at more than \$250 received from official sources, or at more than \$100 where received from other than official sources provided that a gift received by a Member, the Member's spouse or dependent children from family members or personal friends in a purely personal capacity need not be registered unless the Member judges that an appearance of conflict of interest may be seen to exist;
- (l) any sponsored travel or hospitality received;
- (m) membership of any organisation, and
- (n) any other interests where a conflict of interest with a Member's public duties could foreseeably arise or be seen to arise.

(3) Register and Registrar of Members' Interests

That—

- (a) at the commencement of each Parliament, and at other times as necessary, Mr Speaker shall appoint an officer of the Department of the House of Representatives as the Registrar of Members' Interests and that officer shall also be clerk to the Committee of Members' Interests;
- (b) the Registrar of Members' Interests shall, in accordance with procedures determined by the Committee of Members' Interests, maintain a Register of Members' Interests in a form to be determined by that committee from time to time;
- (c) as soon as possible after the commencement of each Parliament the chairman of the Committee of Members' Interests shall table in the House a copy of the completed Register of Members' Interests and shall also table from time to time as required any notification by a Member of alteration of those interests, and
- (d) the Register of Members' Interests shall be available for inspection by any person under conditions to be laid down by the Committee of Members' Interests from time to time.

Additional resolutions adopted by the House on 13 February 1986

That this House re-affirms the requirement for the registration and declaration* of the interests of Members, their spouses and dependent children adopted by the House of Representatives on 9 October 1984 a.m.

That any Member of the House of Representatives who—

- (a) knowingly fails to provide a statement of registrable interests to the Registrar of Members' Interests by the due date,
- (b) knowingly fails to notify any alteration of those interests to the Registrar of Members' Interests within 28 days of the change occurring, or
- (c) knowingly provides false or misleading information to the Registrar of Members' Interests,

shall be guilty of a serious contempt of the House of Representatives and shall be dealt with by the House accordingly.

Notes

*1 The requirements set out above are those in force from the first sitting day of the House of Representatives in 1989 from which day the requirement for oral declarations of interests during certain proceedings was removed.

2 *No reference has been made to—*

- (a) earlier registration and declaration requirements deleted on 13 February 1986, 22 October 1986 and 30 November 1988, and
 - (b) resolutions of 21 March 1985 and 13 February 1986 which related to the lodgement of initial statements of interests by Members of the 34th Parliament.
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REPORT

Introduction

- (1) Resolutions adopted by the House of Representatives on 9 October 1994 a.m. required each Member of the House of Representatives to provide a statement of the registrable interests of the Member, the Member's spouse and any dependent children within 28 days of making an oath or affirmation as a Member of the House of Representatives. The resolutions also required any alterations in those interests to be notified within 28 days of the alteration occurring. The matters requiring notification were set out in the resolutions.
- (2) Some modifications have been made by the House to the original resolutions but, apart from the need to orally declare interests during certain proceedings, the essential elements of the requirements remain. The resolutions currently in force are set out at the beginning of this report.
- (3) At the time of the initial adoption of the resolutions, the House also agreed to the insertion of new standing order 28A establishing the Committee of Members' interests to oversee the registration requirements. The terms of the standing order are set out also at the beginning of this report. The standing order requires the Committee to present an annual report to the House on its operations. This is the report of the Committee for the calendar year 1993.

Arrangements made for the compilation, maintenance and accessibility of the Register of Members' Interests

- (4) The arrangement made by the then Committee of Members' Interests when the system was being initiated was for the Register of Members' Interests to consist of photocopies of the actual statements and any notifications of alterations of those interests received from Members. The copy of the material required to be tabled in the House by the Chairman of the Committee of Members' Interests would consist of photocopies of the same material. These simple and convenient arrangements have been maintained. So too has the arrangement that, as a general rule, notifications of alterations of interests should be tabled by the Chairman in batches toward the end of each of the Budget and Autumn sittings each year.
- (5) It needs to be recognised that the Register itself is available for inspection by any person after the Register is tabled in the House. Although notifications of alterations of interests are generally tabled in batches twice only each year, the Register itself is kept up-to-date on a daily basis and anyone wishing to check the latest information that has been supplied by a Member needs to inspect the actual Register rather than rely on the tabled material. As

determined by an earlier committee, the Register is available for inspection by prior appointment between 10.00am - 12.00 noon and 2.00pm - 4.00pm on any work day.

- (6) The completed Register for the 37th Parliament, incorporating notifications of alterations of interests received up to 3 September 1993 and notifications of alterations received during the period 4-29 September 1993 was presented to the House by the Chairman on 30 September 1993. Copies of notifications of alterations of interests received during the period 30 September 1993 to 15 December 1993 were tabled on 16 December 1993.
- (7) The Register itself was inspected on 25 occasions during the year.

Proposals made by Members and others as to the form and content of the Register

- (8) The Committee received no formal proposal for alteration of the form or content of the Register.

Specific complaints made in relation to the registering or declaring of interests

- (9) No complaint was received by the Committee or by the Registrar of Members' Interests in relation to the registering of interests. The requirement for the oral declaration of interests during certain proceedings was abolished effective from the first sitting day in 1989 and this reference in the standing order is no longer relevant.

Changes to any code of conduct

- (10) The House has not yet adopted a code of conduct. The Committee was therefore not required to consider any aspect of such a code.

Registration of interests by other classes of person

- (11) The committee did not further consider this matter during 1993.

Other matters

- (12) In previous reports the Committee recommended that the House should review three matters. These were:
 - whether there is a need for the registration of the membership of all organisations, irrespective of the nature of those organisations;

- the need to up-date the value of gifts requiring registration to reflect current values since these values have remained unchanged since the introduction of the registration requirements in 1984; and
- whether there is a need for the registration of interests held during the period from the dissolution of the House of Representatives in one Parliament and the supply of full statements of interests in the next Parliament.

It is a cause of regret that no response has yet been received from the Government to the Committee's recommendations nor other action taken by the House in relation to these matters.

- (13) The need for the registration of the membership of all organisations, irrespective of the nature of those organisations, was canvassed in the Committee's report for 1991. In doing so, the Committee traced the history of the requirement and made it clear that it believed the House should revert to the original requirement for registration of the membership of an organisation only where there was a potential conflict of interest because of that membership. It stressed that it saw as quite unnecessary, and indeed a waste of the time of Members, to require the registration of many small organisations, membership of which clearly has no potential for a conflict of interest situation to arise. This Committee remains of the same opinion as its predecessor.
- (14) In respect of the value of gifts requiring registration the Committee points out that no adjustment has been made to these values since they were first fixed in October 1984. The value of \$100 at that date translates to a February 1994 value of \$166.16 and \$250 to \$415.40. The Committee again recommends that the amounts be up-dated to reflect current values and that the sums be reviewed regularly to maintain these values in real terms. It believes that these values should be revised immediately to \$200 (for gifts received from other than official sources) and \$500 (for those received from official sources).
- (15) The need to register interests held between the date of dissolution of the House in one Parliament and the supply of full statements in the next Parliament again deserves special attention. As pointed out in previous reports this "gap" period can, and generally does, extend to a period of several months. For example, the timetable of the dissolution of the House of Representatives in the 36th Parliament and the registration of interests in the new (37th) Parliament was as follows:

Dissolution occurred	8 February 1993
Interests requiring registration by the date of dissolution were those held on	11 January 1993

Date of first meeting of new Parliament when 143 of the 147 Members made an oath or affirmation	4 May 1993
Date by which full statements of interests were to be supplied	1 June 1993

It will thus be seen that in respect of re-elected Members any alterations of interests occurring between 12 January 1993 and 31 May 1993 did not require registration. This appears to be an unsatisfactory situation.

- (16) A further consequence of the current resolutions of the House which "close" the Register at the moment of dissolution of the House and "re-open" it on receipt of all statements of interests generally 28 days after the opening of the new Parliament, is that any notifications received by the Registrar during the intervening period do not form part of the Register. In these circumstances, it is necessary for the Registrar to inform any Member who submits a notification of alteration of interests during this period that the notification will not form part of the Register of Members' Interests and that the Member's full statement supplied after the opening of the new Parliament should set out the interests actually held at the date of completion of the statement. This situation has caused confusion both for persons inspecting the Register and Members but will persist unless the House takes action to close the gap in the registration requirements. The Committee urges the House to give attention to this and the other matters upon which the Committee has previously made recommendations. It also recommends, as did its predecessor in its annual report for 1991, that if the House agrees that this "gap" should be eliminated in respect of re-elected Members, then the statements of interests to be provided by newly elected Members should include the interests held on the day of election and alterations of interests occurring from that day to the day of lodgement of their statements of interests.
- (17) There were no outstanding issues requiring the Committee's attention at the end of the year 1993. It was necessary for it to meet only once during that year.

E L GRACE
Chairman
2 March 1994

HOUSE OF REPRESENTATIVES

COMMITTEE OF MEMBERS' INTERESTS

37th Parliament - 1st Meeting

Minutes of Proceedings of meeting held on
27 May 1993 at 4.20pm

(1) Present

Ms M J Deahm MP
Hon J D M Dobie MP
Mr E L Grace MP
Mr B Lloyd MP
Hon N B Reid MP
Mr R W Sawford MP

(2) Appointment of Registrar of Members' Interests

Mr L M Barlin, Clerk of the House, announced his appointment by the Speaker on 4 May 1993 as Registrar of Members' Interests and the appointment on the same day of Mr B Wright, Acting First Clerk Assistant, to act as Registrar during any absence of Mr Barlin.

(3) Membership of the Committee

An extract from the Votes and Proceedings No 8 of 26 May 1993 was reported notifying the appointment of Ms Deahm, Mr Dobie, Mr Elliott, Mr Grace, Mr Lloyd, Mr Reid and Mr Sawford as members of the Committee.

(4) Election of Chairman

On the motion of Mr Sawford, Mr Grace was elected as Chairman and took the Chair.

(5) Notification of requirements to Members

The Registrar advised the Committee of the terms of a letter which he had sent on 4 May 1993 to those Members who made an oath or affirmation that day, and to three Members who made an oath or affirmation on later days, notifying them of the requirements for the registration of interests. The Registrar pointed out that the letters advised that the letter indicated that the interests to be registered were those held on the date of completion of the statement. They were also advised that in the case of re-elected Members it was also necessary to include any gifts, sponsored travel (including up-graded travel) and relevant hospitality received which had not been registered previously and that for Members first elected on 13 March 1993 the same information should be supplied from the date of their election. This advice was similar to that conveyed to Members of the 36th Parliament in May 1990 and which was later endorsed by the then Committee.

The Committee noted this advice.

(6) Form of the Register

The Registrar advised the Committee that, by decision of the Committee on 20 May 1986, the actual Register consists of the original or photocopies of (1) the return forms provided by Members and (2) notifications of alteration of interests received by the Registrar.

(7) Arrangements for tabling of completed Register

The Registrar advised that the resolutions of the House provided that as soon as possible after the commencement of each Parliament the Chairman of the Committee shall table in the House a copy of the completed Register. Following the tabling, the Register itself was available for public inspection. As one Member had not yet made an oath or affirmation some delay may occur in the preparation of the completed Register.

Ordered - That the tabling should occur as soon as possible in the Budget sittings after the statements of interests had been received from all Members and the Register was complete.

(8) Report on the operations of the Committee for 1992

The Chairman presented a draft report on the operations of the Committee for 1992 comprising a draft report prepared by the Chairman of the Committee in the 36th Parliament and three additional introductory paragraphs.

Resolved - On the motion of Mr Reid - That the report:

- (a) be agreed to; and
- (b) be the report of the Committee to the House.

(9) Notifications received from Members during the dissolution period

The Registrar advised the Committee that, in accordance with the resolutions of the House, the Register for Members of the 36th Parliament closed with the Dissolution of the House on 8 February 1993. The Register for the 37th Parliament commenced from the Opening of the new Parliament. As a consequence, any notification received from a Member between the Dissolution on 8 February 1993 and the lodgment of his or her completed statement in the 37th Parliament did not form part of the Register. Members who had lodged such notifications in the intervening period were so advised.

(10) Adjournment

The Committee adjourned at 4.45pm until a date and hour to be determined by the Chairman.

Confirmed

CHAIRMAN