



Australian Government

Department of the Prime Minister and Cabinet

ONE NATIONAL CIRCUIT
BARTON

Ms Christine McDonald
Secretary
Senate Standing Committee on Finance and Public Administration
Parliament House
CANBERRA ACT 2600

Dear Ms McDonald

I refer to the questions on notice asked of the Department at the Committee's hearings on 21 February 2012 in the course of its inquiry into the operation of the Lobbying Code of Conduct and the Register of Lobbyists.

I have attached a list of the individuals who attended the roundtable meeting in March 2010 and the papers that were distributed to them before the meeting. I should also note that a summary of the issues discussed at the roundtable meeting was included in the discussion paper issued after the meeting, a copy of which was attached to the Department's submission of 3 February.

The Department is aware of 12 former members of the Federal Parliament who are on the Register of Lobbyists. However, it is possible that some former members whose names are not familiar to staff of the Department are not included in that number.

Having given some thought to the question of the appropriateness of publicising breaches of the requirements of the Code on the Register website, the Department has some concerns that it may not be appropriate to do so as a matter of course. As indicated at the hearing on 21 February, the then Secretary of the Department decided that the appropriate action to take in respect of the breach that had been identified in 2009 was to write to the CEO of the firm to remind it of its obligations under the Code to keep its client details up to date. The Department also reminded all lobbyists of the need to keep their client details up to date.

Publication of the details of any breach of the Code and action taken would effectively add to the penalty imposed for the breach. Particularly in the case of an inadvertent breach, the Department considers that publication of the details on the Lobbyist Register website would not necessarily be warranted. A better approach would perhaps be for publicity to be given to a breach and the action taken in response to it if the circumstances of the individual case warrant it. This could either be achieved by way of a ministerial press release or by notification on the Register website.

If you require further information, please contact Mr David Macgill on 6271 5761.

Yours sincerely

Renee Leon
Deputy Secretary
23 February 2012

**Lobbyists Roundtable
Parliament House, Canberra
30 March 2010**

LIST OF ATTENDEES

The meeting was attended by:

Mr Grahame Morris, Grahame Morris Consulting
Mr Robin Harris, Government Relations Australia
The Hon Wayne Matthew, Government Relations Solutions
Mr Simon Banks, Hawker Britton Group
Ms Sandra Eccles, Kreab Gavin Anderson
Mr Michael Morgan, Kreab Gavin Anderson
Mr Trevor Burns, Macquarie Group
Mr Greg Sam, Parker & Partners
Mr Ian Knop, Profile Management Consultants
Mr Nick Melas, Profile Management Consultants
Mr Jon Bisset, Public Relations Institute of Australia
Mr Shaun Drabsch, Rowland
Mr Peter Costantini, SAS Consulting Group
Mr Barton Green, Three Plus



SENATOR THE HON JOE LUDWIG

Special Minister of State
Cabinet Secretary
Manager of Government Business in the Senate
Senator for Queensland

Reference B10/259

Dear

I am writing to invite you to a roundtable discussion to seek views on possible reforms to the Lobbying Code of Conduct. As you would be aware, on 1 July 2008 the Lobbying Code of Conduct and the Register of Lobbyists came into force. These measures are intended 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, integrity and honesty.

Consistent with the Government's commitment to continuous review of the Lobbying Code of Conduct, I feel it is now time to consider options for further reform to build on the measures already introduced. A draft reforms paper setting out proposed reforms is attached for your consideration. Ms Philippa Lynch, First Assistant Secretary, Government Division, Department of the Prime Minister and Cabinet, will chair a roundtable meeting with a number of registered lobbyists to discuss these reforms, and other matters relating to the operations of the Code and the Register that attendees would like to raise. I would like to invite you, or a member of your organisation, to attend the roundtable meeting. A copy of the agenda for the meeting is attached.

The roundtable meeting will be held at Parliament House, Canberra, on 30 March 2010 from 9.30am to 1.00pm. I would be grateful if you would agree to attend and I look forward to hearing your views. Should you accept this invitation you should come to the Ministerial Wing entrance of Parliament House and you will be directed to the roundtable meeting room.

Following the roundtable meeting, the proposals will be revised to take account of the views expressed and then circulated to all lobbyists on the Register for comment.

A copy of the Code can be accessed at <http://lobbyists.pmc.gov.au/lobbyistsregister/>.
The contact officer in the Department of the Prime Minister and Cabinet is
Mr David Macgill. He can be contacted by email at david.macgill@pmc.gov.au or by
phone on 02 6271 5761. Please RSVP to Mr Macgill by **19 March 2010**.

Yours sincerely

12 MAR 2010

JOE LUDWIG
Cabinet Secretary

March 2010

**Lobbying Code of Conduct – Roundtable
Proposed reforms to the Lobbying Code of Conduct**

**Tuesday, 30 March 2010
Parliament House, Canberra**

9.30am -1.00pm

Chair: Ms Philippa Lynch, First Assistant Secretary, Government Division
Department of the Prime Minister and Cabinet

AGENDA

- Opening remarks – Senator the Hon Joe Ludwig, Special Minister of State and Cabinet Secretary
- 1. The creation of an industry association, with:
 - a. membership contingent upon ongoing professional education;
 - b. membership of an industry association being a pre-requisite to registration, or indicated on the Lobbyists Register.
- 2. A requirement that lobbying firms disclose on the register the details of any employees who were Ministers or Parliamentary Secretaries, former senior ministerial staff or senior APS and ADF personnel.
- 3. Increasing the period of the ban on former Ministers undertaking lobbying activities from 18 months to two years.
- 4. Extending the ban on former Ministers to all matters, not just those matters where they had official dealings.
- 5. Other matters.

**Proposals for reforms to the Lobbying Code of Conduct and the
Register of Lobbyists
March 2010**

1. The creation of an industry association with:

- a. membership of the association contingent on ongoing professional education**
- b. membership of the association being a pre-requisite to registration, or indicated on the Register of Lobbyists.**

Current situation:

There is currently no federal industry association for lobbyists. On 10 February 2010, a group of Queensland-based lobbying firms announced that Australia's first association to represent the interests of government relations consultants, the Government Relations Professionals Association (GRPA), would be established in Queensland.

Background:

Industry associations can serve to promote understanding and awareness of their industry, encourage professional standards and act as a representative body for their members. There are lobbying industry associations in other jurisdictions such as the UK and EU that provide a range of services to their members including promoting their industry and encouraging professional development.

In the UK, the Association of Professional Political Consultants (APPC) represent the issues and concerns of their members, enhance the image of the lobbying profession and serves as a referral source for those seeking representation. There are also industry associations in other related industries. For example, the Public Relations Institute of Australia (PRIA) provides services for public relations professionals, with the emphasis on membership and services for individuals within that industry. Their functions include providing information on accredited professional courses.

An industry association for lobbyists could similarly provide for continuous professional development. Professional development requirements could include a requirement to undertake a two-day initial accreditation course covering topics including the Lobbying Code of Conduct, ethical conduct generally, APS Values and Code of Conduct, Members of Parliament Staff Act and ministerial staff frameworks, Standards of Ministerial Ethics, Australian Electoral Commission donations and disclosure rules and public sector procurement and probity. This could be followed by 10 hours of ongoing training each year thereafter.

Membership of an industry association would promote greater confidence in lobbying firms and the industry more generally. The Code could be amended to make membership of an industry association a pre-requisite for registration. Alternatively, membership of the association could be indicated on the Register for the information of government representatives and the public.

**Proposals for reforms to the Lobbying Code of Conduct and the
Register of Lobbyists
March 2010**

- 2. A requirement that lobbying firms disclose on the Register of Lobbyists the details of any lobbyists who were Ministers or Parliamentary Secretaries, former senior ministerial staff or senior APS and ADF personnel and the date that they left office.**

Current situation:

Under the Lobbying Code of Conduct, former Ministers, Parliamentary Secretaries and senior APS and ADF personnel are subject to a ban from engaging in lobbying activities for prescribed periods. There is no current requirement for ongoing disclosure of previous roles in these areas.

Background:

Many lobbying firms already provide details of the background of their lobbyists as a selling point for prospective clients. Listing the details on the Register in a more structured way would standardise the disclosure of the background in government of lobbyists.

Listing of lobbyists who were former ministers, ministerial staff or senior APS personnel (SES level and above) would provide further transparency for prospective clients and government representatives about the background and credentials of lobbyists. The proposal would go some way to addressing criticism of lobbyists perceived to be making improper use of contacts within government by ensuring that government representatives are clear about the background of lobbyists who contact them. The date that the former Minister, Parliamentary Secretaries, senior ministerial staff or senior APS and ADF personnel left office would also be included on the Lobbyists Register.

**Proposals for reforms to the Lobbying Code of Conduct and the
Register of Lobbyists
March 2010**

3. Increasing the period of the ban on former Ministers and Parliamentary Secretaries undertaking lobbying activities from eighteen months to two years, and on matters that they had official dealings in their last two years in office.

Current Situation:

The Lobbying Code of Conduct provides that:

7.1 Persons who, after 6 December 2007, retire from office as a Minister or a Parliamentary Secretary, shall not, for a period of 18 months after they cease to hold office, engage in lobbying activities relating to any matter that they had official dealings with in their last 18 months in office.

7.2 Persons who were, after 1 July 2008, employed in the Offices of Ministers or Parliamentary Secretaries under the *Members of Parliament (Staff) Act 1984* at Adviser level and above, members of the Australian Defence Force at Colonel level or above (or equivalent), and Agency Heads or persons employed under the *Public Service Act 1999* in the Senior Executive Service (or equivalent), shall not, for a period of 12 months after they cease their employment, engage in lobbying activities relating to any matter that they had official dealings with in their last 12 months of employment.

Background:

This proposal would see the period of the ban extended to two years after leaving office. There are a range of different periods for bans applied by the States. Queensland currently imposes the longest ban, with the prohibition extending for a period of two years relating to official dealings as a minister within their last two years in office.

Consideration could also be given to increasing the existing ban on former senior public servants, ministerial staff and ADF personnel to eighteen months, from the existing 12 months.

This extension would provide further assurance to the public and government representatives about the appropriateness of dealing with former ministers working as registered lobbyists.

**Proposals for reforms to the Lobbying Code of Conduct and the
Register of Lobbyists
March 2010**

4. Extending the ban on former Cabinet Ministers to all matters, not just those matters where they had official dealings.

Current Situation:

The Lobbying Code of Conduct provides that the persons specified shall not engage in lobbying activities relating to any matter that they had official dealing with during prescribed periods (in their last 18 months in office for former ministers and parliamentary secretaries and in their last 12 months employment for the others)

Background:

Criticism of former State ministers has not been confined to their lobbying activities in areas related to their portfolio responsibilities; lobbying on unrelated areas has also attracted criticism. This criticism has centred on lobbyists allegedly making improper use of their contacts in government, rather than their knowledge of particular issues.

The existing policy is aimed at preventing former Ministers, Parliamentary Secretaries, staff and APS employees from using knowledge gained about matters that they dealt with while in office in the event they become employed as a third party lobbyist. The proposal would restrict the ability of former Cabinet Ministers, to use their contacts within Government, as well as their knowledge of Government policies and plans, in any subsequent career as a third party lobbyist.

It is envisaged that the extension of this ban would be subject to an appropriate timeframe (see proposal 3).

Along with proposal 3, this measure could provide further assurance to the public and government representatives about the appropriateness of dealing with former senior Ministers working as registered lobbyists.