

HON DR BOB SUCH MP JP
Member for Fisher

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Ms Christine McDonald
The Secretary
Senate Finance and Public Administration Committees
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Parliament House
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Dear Ms McDonald

Inquiry into the operation of the *Lobbying Code of Conduct* and the Lobbyist Register

I respond to the Committee's invitation to provide a submission to the Inquiry and offer the following comments in relation to the Terms of Reference.

As you may be aware, I have long advocated in South Australia and, indeed, federally, for more robust regulation and transparency round lobbyists and lobbying, as well as greater Ministerial accountability in this regard. Indeed, I have introduced a Lobbying and Ministerial Accountability Bill into the South Australian Parliament on several occasions and more recently in 2011.

While I acknowledge that the Register of Lobbyists and the restrictions set down in the current Code of Conduct have gone some way in imposing constraints, I contend that the existing processes need to be strengthened. Moreover, there are significant gaps that undermine the very processes themselves. Essentially, I would question whether those concerned take the restrictions seriously and whether the code will hold sway due to its 'lack of teeth'.

It is critical that the requirements as set down are enforced and penalties are imposed on any breaches if the code is to be effective. I am aware that breaches, if deemed sufficiently serious by the Secretary, may result in a lobbyist being removed from the Register. In this instance, I would first ask why the Secretary, in the Department of Prime Minister and Cabinet, is able to arbitrate on such a matter. Surely an independent authority would add credence to the process. I would also

question whether removal of lobbyists' names from the Register does, in fact, prevent their continued influence. Consideration should be given to the enforcement of a range of differentiated penalties for breaches of the code.

Another issue is 'success fees' for lobbyists who achieve their clients' desired outcome which I believe should be banned. Their prohibition would remove the incentive to adopt inappropriate practices and would consolidate the objectives of integrity and accountability.

Currently, lobbyists are defined as those lobbying on behalf of third parties. I am concerned, however, about the influence of professional groups such as lawyers and accountants acting on behalf of their clients in a professional capacity. If these groups are not deemed to be lobbying because of their professional relationship with clients, and thus do not have to declare their status as lobbyists, I believe that the register and code of conduct is meaningless. In this context, I would express similar concern over large companies that employ their own in-house staff to liaise with government on a regular basis.

Furthermore, while I am aware of the complexities surrounding registration as lobbyists of such organisations as charities, unions, peak bodies and industry groups, I also believe that transparency and integrity are fundamental. These sectors may cite the administrative burden of registration and fear that their consultative and advisory roles will be eroded in the process but, surely, their interactions with public officials will not suffer simply by being more visible. This is in everybody's interest. Without their inclusion, the Code of Conduct offers only limited coverage.

Yours sincerely

Bob Such MP JP
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