

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 24-28 February 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Mr Alistair Furnival

Senator: Senator the Hon Penny Wong

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Question:

Senator WONG: I will conclude—well, I won't be concluding. I will just try to get to a break. Minister, you mentioned, I think in answer to an earlier question, that you "imagined"—I think that was the phrase—that some of the requirements around compliance with the standards would have been set out in the letter agreeing to the staff member's appointment. You recall that?

Senator Abetz: Yes.

Senator WONG: Is it the case that the letter to Senator Nash approving Mr Furnival's appointment referred to action that he had to take in order to comply with the standards?

Senator Abetz: I will take that on notice, but what I can tell you is that the letter would have said that Mr Furnival, along with all other staff members, would need to abide by the Statement of Standards for Ministerial Staff.

Senator WONG: Did the letter clarify what that meant in relation to someone who was a director and shareholder of a lobbying company which had clients in the junk food industry?

Senator Abetz: Some might describe it as the confectionary industry—

Senator WONG: The confectionary industry.

Senator Abetz: The statement of standards speaks for itself and—

Senator WONG: I am not asking that, Senator.

Senator Abetz: whether that needs amplification in any particular circumstance is undoubtedly a decision that is made. But I will take it on notice to see if there were any extras.

Senator WONG: I will leave you with this point, which will be my last point. The Prime Minister told the House of Representatives today that there was a requirement

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to divest. At any point was the minister or Mr Furnival advised by the Government Staffing Committee or the Prime Minister's office that he was required to divest?

Senator Abetz: Specifically, I would have to take that on notice but ask Senator Nash. But when the letter was received reference was made to the Statement of Standards for Ministerial Staff. And given the fact that it was well-known what his job was, what his directorship was et cetera, I would imagine that that is exactly what occurred prior to his appointment—"If you want this gig in government you will have to divest yourself according to the Statement of Standards for Ministerial Staff".

Senator FAULKNER: I understand that, Minister, but does that mean that everyone knew? You have said that a couple of times. I accept your evidence there that it was obviously very common knowledge—fair enough. But does that mean that nobody checked that there had been divestment? Everyone knew—you have said that a couple of times; fair enough—but does that mean no-one checked that the divestment had taken place? It does appear so, doesn't it?

Senator Abetz: No. There is confirmation by a public statement that he divested himself of the chairmanship of the company. The next step was the divestment of shareholdings. Once again, I will have to take the detail of that on notice. But it stands to reason that accounting and legal advice may well need to be sought for that to occur over a period of time and, as a result, the undertaking was given that the company would not involve itself on any lobbying on behalf of the listed companies and interests for which the company had previously lobbied in the health portfolio—or indeed, as I understand it, lobby any other ministerial office in relation to matters health.

Senator FAULKNER: I won't delay this, but if you could take on notice whether anyone did check whether this divestment had taken place. If so, who and when? If not, why not? Thank you.

Answer:

Refer to Community Affairs Legislation Committee Additional Estimates hearings in February 2014.