



AUSTRALIAN SENATE

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PARLIAMENT HOUSE
CANBERRA A.C.T. 2600
TEL: (02) 6277 3350
FAX: (02) 6277 3199
E-mail: clerk.sen@aph.gov.au

26 May 2008

Mr Stephen Palethorpe
Secretary
Senate Finance and Public Administration Committee
Parliament House
CANBERRA ACT 2600

Dear Mr Palethorpe

ESTIMATES HEARINGS - DEPARTMENT OF THE SENATE (2)

Attached is an answer to the question asked of me earlier today by Senator Ronaldson about the differences between the Senate and the House of Representatives schemes for registration of interests.

Yours sincerely

(Harry Evans)

**Answer to question on notice – Finance and Public Administration Committee
Department of the Senate – 26 May 2008
Registration of Senators' and Members' Interests**

Senator Ronaldson asked a question about the differences between the regimes for the registration of interests operating in the Senate and the House of Representatives.

The resolutions of the Houses are for the most part identical in terms of the definitions of registrable interests, but there are some differences in administration. Copies of the resolutions are attached, together with a copy of the explanatory notes to the Senate resolutions issued by the Committee of Senators' Interests.

Differences in the definitions of registrable interests are minor and involve only two of the fourteen categories of interests in respect of which a statement is required. The Senate's definition of gifts in paragraph (k) of Resolution 2 includes an explanation of "official sources" whereas the equivalent definition in the resolution of the House (paragraph (k) of Resolution (2)) does not. Secondly, a senator's or member's relationship with an organisation is expressed differently, as follows:

Senate resolution 2

(m) being an office holder of or financial contributor donating \$300 or more in any single calendar year to any organisation;

House of Representatives resolution 2

(m) membership of any organisation where a conflict of interest with a Member's public duties could foreseeably arise or be seen to arise;

Administrative differences are as follows:

- The Senate resolutions allow 35 days for senators to notify any alterations to their interests (as a result of an amendment agreed to on 10 August 2006). The House of Representatives resolutions allow 28 days.
- That part of a senator's statement of interests relating to the senator's spouse or partner and any dependent children is maintained in a separate part of the register and remains confidential to the Committee of Senators' Interests. If the committee considers that a conflict of interests arises in relation to a confidential declaration, it may table the declaration. There is no equivalent provision in the resolutions of the House of Representatives.
- The Senate resolution includes a definition of "partner" which term is used in addition to the term "spouse".

Registration of Members' interests

Requirements of the House of Representatives

Resolution adopted 9 October 1984 a.m., amended 13 February 1986, 22 October 1986, 30 November 1988, 9 November 1994, 6 November 2003 and 13 February 2008 a.m.

(1) Registration of Members' interests

That—

- (a) 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—
 - (i) the Member's registrable interests, and
 - (ii) 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 or by the Committee of Privileges and 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, and
- (b) the statement to be provided by a Member shall include:
 - (i) in the case of a Member who was not a Member of the House of Representatives in the immediately preceding Parliament, interests held at the date of his or her election and any alteration of interests which has occurred between that date and the date of completion of the statement, and
 - (ii) in the case of a Member who was a Member of the House of Representatives in the immediately preceding Parliament, interests held at the date of dissolution of the House of Representatives in the previous Parliament and any alteration of interests which has occurred between that date and the date of completion of the statement.

(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 \$7,500;
- (j) the nature of any other substantial sources of income;
- (k) gifts valued at more than \$750 received from official sources, or at more than \$300 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 where the value of the sponsored travel or hospitality exceeds \$300;
- (m) membership of any organisation where a conflict of interest with a Member's public duties could foreseeably arise or be seen to arise, and
- (n) any other interests where a conflict of interest with a Member's public duties could foreseeably arise or be seen to arise.

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(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 assist the Committee of Privileges and Members' Interests in relation to matters concerning Members' interests;
- (b) the Registrar of Members' Interests shall, in accordance with procedures determined by the Committee of Privileges and 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 Privileges and 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 Privileges and Members' Interests from time to time.

Additional resolution adopted 13 February 1986

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.

Note: no reference has been made to—

- (a) earlier registration and declaration requirements deleted on 13 February 1986, 22 October 1986, 30 November 1988 and 9 November 1994, 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.

RESOLUTIONS RELATING TO SENATORS' INTERESTS

1. Registration of Senators' Interests

(1) Within:

- (a) 28 days after the first meeting of the Senate after 1 July first occurring after a general election; and
- (b) 28 days after the first meeting of the Senate after a simultaneous dissolution of the Senate and the House of Representatives; and
- (c) 28 days after making and subscribing an oath or affirmation of allegiance as a senator for a Territory or appointed or chosen to fill a vacancy in the Senate;

each senator shall provide to the Registrar of Senators' Interests a statement of:

- (a) the senator's registrable interests; and
- (b) the registrable interests of which the senator is aware:
 - (i) of the senator's spouse or partner, and
 - (ii) of any children who are wholly or mainly dependent on the senator for support;

in accordance with this resolution and in a form determined by the Committee of Senators' Interests from time to time, and shall also notify any alteration of those interests to the Registrar within 35 days of that alteration occurring.

(2) Any senator who:

- (a) knowingly fails to provide a statement of registrable interests to the Registrar of Senators' Interests by the due date;
- (b) knowingly fails to notify any alteration of those interests to the Registrar of Senators' Interests within 35 days of the change occurring; or
- (c) knowingly provides false or misleading information to the Registrar of Senators' Interests;

shall be guilty of a serious contempt of the Senate and shall be dealt with by the Senate accordingly, but the question whether any senator has committed such a serious contempt shall first be referred to the Privileges Committee for inquiry and report and may not be considered by any other committee.

2. Registrable interests of spouses or partners and dependants

Statements of the registrable interests of a senator's spouse or partner or of any dependent children submitted in accordance with paragraph (1) shall be maintained in a separate part of the register and shall remain confidential to the Committee of Senators' Interests except where the committee considers that a conflict of interest arises, at which time the committee may table the declaration.

3. Registrable interests

The statement of a senator's registrable interests to be provided by a senator shall include the registrable interests of which the senator is aware of the senator's spouse or partner and of any children who are wholly or mainly dependent on the senator 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 and the nature of its operation and beneficial interest, and
 - (ii) in which the senator, the senator's spouse or partner, or a child who is wholly or mainly dependent on the senator for support, is a trustee (but not including a trustee of an estate where no beneficial interest is held by the senator, the senator's spouse or partner 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 more than \$7,500;

- (j) the nature of any other substantial sources of income;
- (k) gifts valued at more than \$750 received from official sources (such sources being an Australian or foreign national, state, provincial or local government or a person holding an office in such a government) or at \$300 or more where received from other than official sources, provided that a gift received by a senator, the senator's spouse or partner or dependent children from family members or personal friends in a purely personal capacity need not be registered unless the senator judges that an appearance of conflict of interest may be seen to exist;
- (l) any sponsored travel or hospitality received where the value of the sponsorship or hospitality exceeds \$300;
- (m) being an office holder of or financial contributor donating \$300 or more in any single calendar year to any organisation; and
- (n) any other interests where a conflict of interest with a senator's public duties could foreseeably arise or be seen to arise.

4. Register and Registrar of Senators' Interests

- (1) At the commencement of each parliament, and at other times as necessary, the President shall appoint an officer of the Department of the Senate as the Registrar of Senators' Interests and that officer shall also be secretary of the Committee of Senators' Interests.
- (2) The Registrar of Senators' Interests shall, in accordance with procedures determined by the Committee of Senators' Interests, maintain a Register of Senators' Interests in a form to be determined by that committee from time to time.
- (3) As soon as possible after receipt of statements of registrable interests in accordance with resolution 1(1), the chairman of the Committee of Senators' Interests shall table in the Senate a copy of the completed Register of Senators' Interests and shall also table every 6 months any notification by a senator of alteration of those interests.
- (4) The Register of Senators' Interests shall be available for inspection by any person under conditions to be laid down by the Committee of Senators' Interests from time to time.
- (5) That part of the Register of Senators' Interests relating to spouses or partners and dependent children shall remain confidential to the Committee of Senators' Interests as provided for in paragraph 2.

5. Interpretation

For the purposes of paragraphs 1 to 4 of this resolution 'partner' means a person who is living with another person in a *bona fide* domestic relationship.

(17 March 1994 J.1421, amended 21 June 1995 J.3473, 13 May 1998 J.3753, 22 November 1999 J.2008, 15 September 2003 J.2365, 10 August 2006 J.2458)

EXPLANATORY NOTES FOR STATEMENTS OF REGISTRABLE INTERESTS

(AGREED TO BY COMMITTEE OF SENATORS' INTERESTS ON 19 JUNE 2002;
AMENDED 18 JUNE 2003, 13 OCTOBER 2003, 29 MARCH 2006, 10 AUGUST 2006,
6 SEPTEMBER 2006 AND 20 MARCH 2007)

PART 1 – GENERAL

Statement of registrable interests

The purpose of the statement of registrable interests is to advise of senators' interests in accordance with a resolution of the Senate of 17 March 1994, as amended on 21 June 1995, 13 May 1998, 22 November 1999, 15 September 2003 and 10 August 2006.

The statement, in two parts, is kept in a Register of Senators' Interests, similarly divided. The registrable interests of a senator are declared in **Form A**, and comprise that part of the register which is available for public inspection from the date of receipt, and which is also eventually tabled in the Senate. The registrable interests, *of which the senator is aware*, of a senator's spouse or partner, or any children who are wholly or mainly dependent on the senator for support, are declared in **Form B**. The senator is not required to disclose the name(s) of a spouse, partner or children. Nor is there a requirement to return Form B if a senator does not have a spouse, partner or dependent children, or is not aware of their interests. Form B constitutes the part of the Register of Senators' Interests which is **NOT** available for public inspection. The interests recorded in Form B remain confidential to the Committee of Senators' Interests unless the committee considers that a conflict of interest arises, at which time the committee may table the declaration.

Requirement to submit statement of registrable interests

The resolution requires that all senators must provide a statement of registrable interests within 28 days of making or subscribing an oath or affirmation of allegiance as a senator **AND** within 28 days after the first meeting of the Senate after 1 July first occurring after a general election.

Senators who are elected or appointed for the first time to the Senate should declare any benefits received from the date of their election or appointment as a senator, as well as interests as at the date of making and subscribing an oath or affirmation of allegiance.

In the case of re-elected or continuing senators, the statement of interests should include details of benefits received since the last notification of alterations of interests, as well as interests as at the date of the first meeting of the Senate following a simultaneous dissolution, or after 1 July following a general election.

'Dependent children' means dependent children under 16 years of age or dependent full-time students under 25 years of age. 'Partner' means a person who is living with another person in a *bona fide* domestic relationship.

When interests are held jointly with a spouse or partner, former spouse or partner, or dependent children the interests need to be included only as interests of the senator with an appropriate notation such as 'jointly owned with [former] spouse or partner'.

Where interests could be included under more than one heading, they need to be included only under the most specific heading unless two aspects need to be disclosed (e.g. real estate, plus a mortgage liability on that real estate or savings or investment accounts, plus a deposit by a third party that is also a registrable gift).

Both Form A and Form B must be completed as appropriate, in typescript if possible, signed **by the senator**, and returned to the Registrar of Senators' Interests as originals, not faxes. For the purposes of meeting the 28-day deadline, signed faxed copies may initially be sent, followed by the signed originals.

Each question on each form should be answered in some definitive way even if only, for example, nil.

Any senator may make a new, full declaration of interests at any time.

Notification of alteration of interests

Any alteration to a senator's registrable interests, or those of the senator's spouse or partner, or dependent children, must be notified to the registrar within 35 days of the change occurring. All notifications of alteration of senators' interests, too, are public from date of receipt. Notifications of alteration of spouses', etc., interests remain confidential under the same conditions as Form B of the statement of interests.

Senators with investments or other registrable interests managed by a financial or other agent are responsible for arranging their affairs to ensure that they receive timely information to enable them to comply with the 35 day notification requirements for alterations of interests.

Relevant forms are available in hard copy or electronically, and alterations are notified to the registrar in the same manner as statements of registrable interests

Publication of statements and alterations of interests

A copy of that part of the Register of Senators' Interests which is publicly available (Form A) is tabled in the Senate in each Parliament (in practice, as soon as possible after the swearing-in of State senators after a periodical or simultaneous dissolution election). Notifications of alterations of interests declared on Form A are tabled at least every six months (towards the end of the winter and summer sittings).

PART 2 – GUIDANCE ON INTERESTS TO BE DECLARED

Senators' responsibility for statement of registrable interests

While these notes are intended to give some guidance to senators in compiling their statement, final decisions on the appropriate interpretation of the resolution are the responsibility of individual senators.

An asterix (*) after the phrase 'the senator's spouse or partner, or dependent children' signifies that a senator is required only to declare the separate holdings of spouse, partner or dependent children on Form B, and only if the senator is aware of such holdings.

Note: It is not necessary to declare the actual number or value of shares, or the value of assets, sponsored travel, hospitality or gifts. Nor is it necessary to declare the actual amounts held in savings or investment accounts, amounts of liabilities, or amounts received as income, including income from investments.

Registrable interests

1. Shareholdings in public and private companies (including holding companies) indicating the name of the company or companies

- Notify any relevant interest in any shares including equitable as well as legal interests, whether held directly or indirectly, which enables a senator, the senator's spouse or partner or dependent children* to exercise control over the right to vote or dispose of those shares.
- This includes shares held by a family or business trust, a nominee company, a partnership or a self-managed superannuation fund where a senator, the senator's spouse or partner or dependent children (or two or more of the senator, the senator's spouse or partner, or a dependent child or dependent children acting together)* are able to exercise control over the right to vote or dispose of those shares.
- Where interests are held in a private holding company (i.e. a proprietary company formed for the purpose of investing in subsidiary companies) all such subsidiary companies, and any subsidiary companies held by those subsidiary companies, should be named.
- Where shareholdings held amount to a controlling interest in a company it is necessary to register any shareholdings held by that company in another company or other companies.
- It is not necessary to notify shareholdings held as an executor or trustee of a deceased estate where the senator, the senator's spouse or partner or dependent children are not beneficiaries of that estate.

- It is not necessary to notify an alteration in the quantity of shares held in a particular company. Notify an alteration when shares are bought in a new company, or a shareholding in a particular company is wholly disposed of.

2. 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 senator, the senator's spouse or partner, or a child who is wholly or mainly dependent on the senator for support,* is a trustee (but not including a trustee of an estate where no beneficial interest is held by the senator, the senator's spouse or partner or dependent children), indicating the name of the trust, the nature of its operation and the beneficiary of the trust

- Both beneficial interests and trustee responsibilities (except as trustee of a deceased estate where neither the senator, the senator's spouse or partner nor dependent children are beneficiaries of the estate) should be specified.
- In respect of shareholdings held by a family or business trust or nominee company, see the note under '1. Shareholdings,' etc.

3. Real estate, including the location (suburb or area only) and the purpose for which it is owned

- 'Location'—There is no need to specify street address—general location (e.g. suburb or area, and State or Territory) is adequate.
- 'Purpose for which owned'—Specify whether property is used as a residence, as a holiday home, as a farm, or is held for investment or other business purposes.
- In the case of the purchase or disposal of real estate, the date of settlement is to be considered the date of alteration of interests, and notification should be made within 35 days of that date.
- It is not necessary to notify legal title to real estate held as an executor or trustee of a deceased estate where the senator, the senator's spouse or partner or dependent children are not beneficiaries of that estate.

4. Registered directorships of companies

- Indicate the name of the company and the activities of the company.

5. **Partnerships, indicating the nature of the interests and the activities of the partnership**
 - Under 'nature of the interests' specify level of current involvement in partnership (e.g. 'financial/sleeping partner', 'consultant').
 - Specify the purpose or operations of the partnership (e.g. investment, consultancy).
6. **Liabilities, indicating the nature of the liability and the creditor concerned**
 - Include all liabilities in excess of \$10,000 (e.g. mortgages, hire-purchase and lease arrangements, personal loans, overdrafts and contingent liabilities).
 - Include trading accounts of a nature which might be sensitive to implications of conflict of interest.
 - Liabilities incurred on a department store account or on a credit card need not be disclosed.
7. **The nature of any bonds, debentures and like investments**
 - 'Investments' means all investments, including placement of monies, which attract interest or other benefits.
8. **Savings or investment accounts, indicating their nature and the name of the bank or other institutions concerned**
 - Ordinary, non-interest-bearing cheque accounts need not be included, but savings accounts and investment accounts of the senator, the senator's spouse or partner or dependent children* should be included.
9. **The nature of any other assets (excluding household and personal effects) each valued at more than \$7,500**
 - List all personal possessions of value other than ordinary household or personal effects.
 - Motor vehicles for personal use need not be included.
 - Collections need not be included.
 - Items which might be listed under more specific headings (e.g. investments, gifts received) need not be included here.

- Private life assurance and superannuation, including self-managed superannuation funds, should be included but parliamentary superannuation under a State or the Commonwealth scheme need not be included.
- As a general rule of thumb, items of under \$7,500 in value may not require inclusion under this heading unless they are of a nature which might be sensitive to implications of conflict of interest.

10. The nature of any other substantial sources of income

- The senator's own salary and allowances as a senator need not be included.
- Include in Form A the source of any income of the senator, including income held jointly from investments, annuity arrangements, pensions or under government assistance schemes (but not including family allowance).
- Include in Form B the source of a spouse or partner's income, *of which the senator is aware*, from employment or a business undertaking, and the source of any income, *of which the senator is aware*, of the senator's spouse, partner or dependent children from investments, annuity arrangements, pensions or under government assistance schemes (but not including family allowance).
- Note that no minimum income is specified as notifiable and senators will need to use their discretion in this regard. As a general rule of thumb, income of less than \$5,000 per annum need not be notified unless, in the judgment of the senator, it might be sensitive to implications of conflict of interest.

11. Gifts valued at more than \$750 received from official sources (such sources being an Australian or foreign national, State, provincial or local government or a person holding an office in such a government), or at \$300 or more where received from other than official sources, provided that a gift received by a senator, the senator's spouse or partner or dependent children from family members or personal friends in a purely personal capacity need not be registered unless the senator judges that an appearance of conflict of interest may be seen to exist

- Senators, when first elected, should include any relevant gifts received from the date of their election. Senators re-elected should include any relevant gifts not previously notified to the registrar.
- The source of any gift should be identified by name.
- A special declaration is required relating to gifts intended by the donor to be given to the Senate or the Parliament (see Part 2 of this booklet).

12. Any sponsored travel or hospitality received where the value of the sponsorship or hospitality exceeds \$300

- 'Sponsored travel' means any free, upgraded or concessional travel undertaken by the senator, the senator's spouse or partner or dependent children* sponsored wholly or partly by any person, organisation, business or interest group or foreign government or its representative. It does not include concessional travel entitlements, or travel undertaken using frequent flyer points, generally available to the public. Nor does it include the travel entitlements received by the senator, the senator's spouse or partner or dependent children under any determination of the Remuneration Tribunal or travel undertaken as a member of an official parliamentary delegation. The purpose for which the travel was undertaken should be shown.
- 'Hospitality' refers to free or concessional accommodation provided to the senator, the senator's spouse or partner or dependent children wholly or partly by any person, organisation, business or interest group or foreign government or its representative. It includes the provision of free or concessional meals as part of an accommodation arrangement but does not include hospitality provided in a purely social way by friends or colleagues. There is no need to include entertainment or benefits received in common with significant numbers of other senators or other persons, such as a reception or dinner hosted by a High Commissioner or Ambassador, or access to airline lounges.
- Serial receipt of hospitality, eg, regular receipt of free theatre tickets or tickets from sporting organisations, should be declared each six months if the collective value exceeds \$300.

13. Being an officeholder of, or financial contributor donating \$300 or more in any single calendar year to, any organisation

- Membership of organisations should be disclosed where the senator, the senator's spouse or partner or a dependent child* is an officeholder (excluding being a patron).
- The names of any organisations to which the senator, the senator's spouse or partner or a dependent child* contributes \$300 or more in any single calendar year (excluding membership subscriptions) should also be listed.

14. Any other interest where a conflict of interest with a Senator's public duties could foreseeably arise or be seen to arise.

March 2007