



Dr Christina Watts PhD BHlth
Research Fellow
The Daffodil Centre
Faculty of Medicine and Health, The University of Sydney

06 February 2024

Submission to the Inquiry into access to Australian Parliament House by lobbyists

To the Senate Finance and Public Administration Reference Committee,

Thank you for the opportunity to make a submission to this inquiry.

I am a Research Fellow at the Daffodil Centre, The University of Sydney (a joint venture with Cancer Council NSW) where I research the tobacco industry and its current efforts to undermine public health policy in Australia. I am also an investigator on the national **Generation Vape study**, and have played a role in advocating for the reduction in retail supply of both tobacco and vaping products, and for greater transparency in tobacco and vaping industry lobbying activities in Australia.

My recent published investigation into tobacco and vaping industry lobbying practices in Australia demonstrated that tobacco companies have attempted to influence public policy behind closed doors through strategically using “revolving door” lobbyists.^[1] In light of my findings, which I outline in my submission below, I am recommending the following changes to the lobbyist registers and sponsored pass system:

1. The lobbyist register should publish details of third-party **and** in-house lobbyists and the companies they represent;
2. The lobbyist register should publish details of all lobbying activities, including the detailed disclosure of Ministers’, ministerial advisors’ and senior public servants’ diaries, including the reasons for lobbying contact;
3. There should be a ban on the issue of parliamentary passes to any lobbyists acting on behalf of the interests of tobacco companies;
4. Parliamentary pass holder details should be made publicly accessible, along with the companies they represent; and
5. Cooling-off periods between government and lobbying roles should be extended to a minimum of 5 years, as per international best practice, and enforced by an independent regulator.

Public policy must be protected from the vested interests of the tobacco industry

Efforts to reduce tobacco use through health promoting policies stand in direct opposition to tobacco companies' financial obligations to shareholders to remain profitable. As a party to the World Health Organization Framework Convention on Tobacco Control (WHO FCTC), the Australian Government is obligated to protect public health policymaking from the vested interests of the tobacco industry (as outlined in Article 5.3).^[2]

However, despite efforts to minimise the influence of tobacco companies in policymaking, loopholes and shortfalls in lobbying regulation have enabled the industry to continue using political lobbying strategies to derail, undermine or weaken tobacco control policies.^[3]

Today in Australia, political lobbying efforts by tobacco companies center around the industry's new product pipeline: e-cigarettes and other nicotine devices such as heated tobacco products. Such products are central in the tobacco industry's strategy to restore long-term market sustainability and shareholder confidence as tobacco use declines. Tobacco companies British American Tobacco and Philip Morris International have been heavily lobbying the federal government through submissions to legislative reviews,^[4-6] participating in inquiry hearings, making political donations, establishing private meetings with members of parliament and sending unsolicited letters to key people with political influence.^[7-9] However, whilst tobacco companies have argued without evidence that these products provide substantial public health benefit by supporting smokers to quit conventional smoking, they have repeatedly marketed these products to non-smoking young people and neglect to outline the financial benefits they would accrue.^[10]

Tobacco industry lobbying through the revolving door

In 2023 I led and published a detailed investigation into tobacco lobbying in Australia along with my colleagues Dr Becky Freeman from the University of Sydney and Melissa Jones and Kylie Lindorff from Cancer Council NSW. We triangulated data from Australian federal, state and territory government lobbyist registers, LinkedIn and Australian news media reports to investigate and document how tobacco companies use the revolving door lobbying tactic in a bid to further their policy agendas and influence public health policymaking in Australia.^[1]

The revolving door is a lobbying strategy whereby the industry recruits individuals who have worked in key government positions in order to gain and share insider knowledge of the policymaking process, develop ties and relationships with influential people, and establish quid pro quo contributions to industry.^[11] The revolving door is important for tobacco companies as it provides potential opportunities to influence policymaking out of public sight. By employing and contracting individuals highly connected within senior ranks of the Australian government, tobacco companies can influence politicians to act on behalf of their interests.

In our investigation we found:

- Tobacco companies Philip Morris International, British American Tobacco and Imperial Tobacco all employed individuals in roles focused on directly engaging in government lobbying activities, with close to half of these employees having previously held Australian government jobs. These individuals were found via LinkedIn, as there is currently no requirement for in-house lobbyists to be listed on government lobbying registers.

- Over half (55%) of the lobbyists working at firms contracted by tobacco companies had held positions in government.
- Internal tobacco company lobbyists, as well as lobbyists working for firms with tobacco company clients, held very senior governmental positions, such as a MP or Senator, Chief or Deputy Chief of Staff, or Senior advisor in a ministerial office, and many **had moved into or out of government within one year of working for a tobacco company (55%) or as a lobbyist (48%).**

The volume of revolving door lobbyists that we identified in our study shows that it's an important tactic used by tobacco companies to serve their interests. It's critically important we have transparency around who politicians and senior public officials meet with and why, especially when such meetings are not in the public interest, as is the case with tobacco companies. While the government may need to meet with industry to discuss potential business impacts of tobacco and vaping reforms, complete transparency around such meetings is critically needed.

The movement of lobbyists through the revolving door within 12 months goes against Lobbying Code of Conduct in Australia. At the federal level, the cooling-off period is 18-months for Ministers or Parliamentary Secretaries, and 12-months for advisors and senior public servants.^[12] However, breaches incur minor penalties and our study is clearly showing that in many cases there is a disregard for these guidelines – the revolving door is rampant in tobacco and vaping lobbying and is not independently policed.

It is recommended that Australia adopts a similar approach to cooling-off periods in Canada, where Ministers and MPs are bound by a five-year cooling-off period after leaving office, and former officials are banned for life from taking advantage of a previously held position in office. Lobbying regulations are also independently policed and enforced by the Conflicts of Interest and Ethics Commissioner.^[13] Regulations such as these would help protect Australia's democratic system from the powerful influence of corporations, like tobacco companies.

Tobacco lobbying via third parties

Our study also tracked the tobacco industry's use of third-party allies, such as retail trade peak bodies, to lobby policymakers on their behalf. This form of tobacco lobbying is poorly recorded on lobbyist registers, and not easily tracked as tobacco companies stay at arm's length distance from lobbying activities. Our study outlines a case example of how Philip Morris International funded the Australian Retail Vaping Industry Association to undermine vaping policy and disrupt the government's proposed nicotine e-cigarette prescription pharmacy model in 2019-2020.

All direct tobacco company employees and lobbyists acting either directly or indirectly via third-party allies, should be publicly disclosed on government lobbyist registers with detailed updates of activities and meetings. Such a requirement aligns with the WHO FCTC Article 5.3 transparency guidelines.

Shortfalls in the current lobbying register and transparency issues

In our analysis of tobacco lobbyists, we collected data from federal, state and territory lobbyist registers. In doing so, we encountered several weaknesses and inconsistencies in the registers, which gave us limited transparency into the true breadth of tobacco lobbying in Australia. The following limitations of Australia's registers of lobbyists were identified through the course of our research:

Online supplementary file 1: Limitations of state and territory registers of lobbyists

Lobbyist register	Limitations and considerations
Federal	<ul style="list-style-type: none"> The current online data only dates back to May 2020 and does not show lobbyists' past clients disclosed before this date. Responsibility for the Federal Lobbyist Register was transferred in 2018 to the Attorney-General's office from the Office of the Prime Minister and Cabinet (PM&C). An unpublished archive dataset of the full register 2010 – 2018 was provided to the researchers and included in the data collection for this study, however no data was available for the 2018 - 2020 period because of past technical issues during the transfer from PM&C.
Western Australia (WA)	<ul style="list-style-type: none"> The WA Register of Lobbyists only discloses the names of lobbying firm's current clients in the past three months and also removes clients as soon as the firm informs the WA Government that contracts have ended. It does not publish an online archive of past clients and former lobbyist employees or their past government roles or cessation dates. Would-be lobbyists who have left government jobs must wait 12 months before the WA allows them to register or conduct lobbying of government officials.
Victoria	<ul style="list-style-type: none"> The Victorian Register of Lobbyists only publishes information on lobbyist clients from the past 12 months. While it is the only state to publish names of ex-senior government staff currently working in-house for companies in a 'Government Affairs Directory' this is only until their employment ends, making it difficult to monitor those individuals especially if they revolve back into government roles or lobbying firms
South Australia	<ul style="list-style-type: none"> The South Australian Register of Lobbyists is available online from 2018 only. It does however disclose more detail than any other, matching up the lobbyist and their client and who they have had meetings with (if any), and the (brief) purpose of the meetings.
Australian Capital Territory (ACT)	<ul style="list-style-type: none"> The ACT Register of Lobbyists only dates back 2016 but includes details on lobbyists' role and place of employment e.g. 'Advisor Minister Morrison, Advisor Bill Shorten'. Historical data is only available by clicking each firm's entry to annual pdf forms.
New South Wales (NSW)	<ul style="list-style-type: none"> The NSW Register only dates back to 2014 and client information for inactive lobbying firms' clients is only mandated to be held for 2 years. It does not publish ex-government records of lobbyists.
Queensland	<ul style="list-style-type: none"> Queensland Register of Lobbyists provides only past 12 months detail for current clients. Although it does publish monthly meeting logs between government departments and lobbying firms/and or clients as far back as 2016, individual lobbyists are rarely named and details of subjects discussed extremely limited, for example 'introductory or 'commercial-in-confidence'.
Tasmania	<ul style="list-style-type: none"> Tasmanian Register of Lobbyists only lists clients and lobbying firms' employees, contractors and shareholders but no details on revolving door lobbyists. In 2022 a review into lobbying oversight by Integrity Commission Tasmania was underway to try to improve transparency.
Northern Territory	<ul style="list-style-type: none"> The Northern Territory does not have a lobbyist Register.

Reproduced from Watts C, Jones M, Lindorff K, Freeman B. How tobacco companies use the revolving door between government and industry to influence policymaking: an Australian case study. *Public Health Research & Practice* 2023;33122305-33122305.

It is critically important that all states and territories have a lobbying register, and for all registers to publish historical records of lobbyists, the companies they represent and details of their lobbying activities, including meeting attendees, dates and reasons for meetings.

Sponsored parliamentary pass system

As party to the WHO FCTC, Australia has an obligation to ensure that public health policymaking is protected from the vested interests of the tobacco industry. As such, **parliamentary passes should not be provided to lobbyists acting in the interests of tobacco companies**. Such a ban aligns with the Australian Government Department of Health and Aged Care's Guidance for Public Officials on Interacting with the Tobacco Industry, which states that "*the tobacco industry should not be in a position to influence the implementation of tobacco control measures and policies*", and that "*any consultations should wherever possible be public (unless prohibited at law), accountable and transparent*".^[14] To allow for transparency in lobbying activities in Australia, a list of parliamentary pass holders should also be made publicly available, including historical records, alongside details of lobbying activities.

Thank you once again for the opportunity to provide a submission to this inquiry. I am happy to answer any questions relating to the content of my submission.

Sincerely,

Dr Christina Watts

**The Daffodil Centre
The University of Sydney, a joint venture with Cancer Council NSW
Faculty of Medicine and Health**

References

- [1] Watts C, Jones M, Lindorff K, *et al.* How tobacco companies use the revolving door between government and industry to influence policymaking: an Australian case study. *Public Health Research & Practice* 2023;33122305-33122305.
- [2] World Health Organization. WHO Framework Convention on Tobacco Control. 2003.
- [3] World Health Organization. Tobacco industry interference: a global brief. Geneva: World Health Organization 2012.
- [4] British American Tobacco Australia. British American Tobacco Australia Limited's submission to the Select Committee on Tobacco Harm Reduction November 2020. Canberra: Parliament of Australia 2020.
- [5] Philip Morris Limited. Review of Tobacco Control Legislation. Response 52463767. Australian Government Department of Health 18 March 2019.
- [6] Watts C, Burton S, Freeman B. Creating a market for IQOS: analysis of Philip Morris' strategy to introduce heated tobacco products to the Australian consumer market. *Tob Control* 2020;doi:10.1136/tobaccocontrol-2020-056057.
- [7] Bogle A. Tobacco giants lobby PM and key MPs with pro-vaping message. *ABC News* 2020.
- [8] Chenoweth N. The secret money trail behind vaping. *The Australian Financial Review* 2021.
- [9] Hutcheon S, Bogle A. Smoke and mirrors: the nanny state critics behind the vape debate. *ABC News* 2019.
- [10] Evans-Reeves K, Gilmore A, Zatonski M, *et al.* Addiction at any cost. Philip Morris International uncovered. Stopping Tobacco Organisations & Products (STOP.) 2020.
- [11] Blanes i Vidal J, Draca M, Fons-Rosen C. Revolving Door Lobbyists. *The American Economic Review* 2012;**102**(7):3731-3748.
- [12] Attorney-General's Department. Lobbying Code of Conduct. Canberra: Australian Government 2022.
- [13] Freund D, Bendel Y. Access all areas: when EU politicians became lobbyists. Berlin, Germany: Transparency International EU 2017.
- [14] Department of Health. Guidance for Public Officials on Interacting with the Tobacco Industry. Canberra: Australian Government.