

# Chapter 1

## Inquiry into the Lobbying Code of Conduct

### Background

1.1 A Lobbying Code of Conduct (the Code) was tabled in the Senate on 13 May 2008 by the Cabinet Secretary, Senator the Hon. John Faulkner. The following day, the Senate referred the Code to the Finance and Public Administration Committee (the committee) for inquiry and report by 28 August 2008, with the following Terms of Reference:

...whether the proposed code is adequate to achieve its aims and, in particular, whether:

- (i) a consolidated code applying to members of both Houses of the Parliament and their staff, as well as to ministers and their staff, should be adopted by joint resolution of the two Houses;
- (ii) the code should be confined to organisations representing clients, or should be extended to organisations which lobby on their own behalf; and
- (iii) the proposed exemptions are justified...

1.2 The Code is available from <http://lobbyists.pmc.gov.au/lobbyistsregister/>.

### Purpose of the Code

1.3 The preamble to the Code states that it is:

...intended to promote trust in the integrity of government processes and ensure that contact between lobbyists and Government representatives is conducted in accordance with public expectations of transparency, integrity and honesty. Lobbyists and Government representatives are expected to comply with the requirements of the *Lobbying Code of Conduct* in accordance with their spirit, intention and purpose.<sup>1</sup>

1.4 The Code establishes a publicly available Register of Lobbyists. The register has operated since 1 July 2008 and as at 4 August 2008, lists the details of 171 lobbyists and their clients.<sup>2</sup> It provides the following information on the Department of the Prime Minister and Cabinet (PM&C) website:

- business registration details, including trading names, of the lobbyist;

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1 Department of the Prime Minister and Cabinet, *Lobbying Code of Conduct*, May 2008, p. 1.

2 <http://lobbyists.pmc.gov.au/lobbyistsregister/index.cfm?event=whoIsOnRegister> (accessed 4 August 2008).

- the names and positions of persons employed, contracted or otherwise engaged by the lobbyist to carry out the lobbying activities; and
- the names of clients on whose behalf the lobbyist conducts lobbying activities subject to not disclosing certain information under Chapter 6CA of the *Corporations Act 2001*.<sup>3</sup>

1.5 A significant feature of the Code is that it applies only to 'third party lobbyists'. That is, it applies to lobbyists who lobby one party on behalf of a third. It does not apply to 'in house' lobbyists. Another significant feature is that it applies to government ministers and does not extend to other parliamentarians.

1.6 Although Australia had a lobbyists register in place from 1984 to 1996, it was not a public register, and did not include a code of conduct to regulate lobbying practice. The committee understands that the European Parliament is moving to establish a mandatory public register of lobbyists, as well as a code of conduct, and that Canada and the United States also have registers.<sup>4</sup>

### **Conduct of the inquiry**

1.7 The committee advertised the inquiry nationally in *The Australian* on 21 May, 4 June and 18 June 2008.

1.8 The committee received 13 submissions, which are listed in Appendix 1. Submissions were also posted on the committee's website to facilitate public access. The committee also received several items of additional information, which are listed in Appendix 2, including 25 submissions received by PM&C on the exposure draft of the Code.

1.9 The committee held hearings in Canberra on 16 June and 23 June 2008. A list of the witnesses who appeared at the hearings is in Appendix 3. Copies of the Hansard transcript are available on the committee's internet page at:  
[www.aph.gov.au/senate/committee/fapa\\_ctte/lobbying\\_code/hearings/index.htm](http://www.aph.gov.au/senate/committee/fapa_ctte/lobbying_code/hearings/index.htm).

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3 Department of the Prime Minister and Cabinet, *Lobbying Code of Conduct*, May 2008, p. 3.

4 See for example Senator the Hon. John Faulkner, Cabinet Secretary, *Senate Hansard*, 13 May 2008, p. 1510.

**Acknowledgement**

1.10 The committee appreciates the time and work of all those who provided written and oral submissions to the inquiry. Their work has assisted the committee considerably in its inquiry.

**Note on references**

1.11 References to the committee Hansard are to the proof Hansard: page numbers may vary between the proof and the official Hansard transcript.