



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2024-2025

Ms Nicole Lawder MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Miss Laura Nuttall MLA

ANSWER TO QUESTION ON NOTICE

Asked By: Mr Andrew Braddock MLA

Addressed to: ACT Integrity Commissioner

Reference: ACT Integrity Commission - Lobbying statements

Hearing Date: 26/07/2024

In relation to: Possible inquiry into Lobbying

QON lodgement Date: 29/07/2024

Answer Due date: 06/08/2024

With respect to your comments made during the hearing on 26 July:

- (1) Can you please elaborate on the basis for why you think an investigation into Lobbying in the ACT would be of interest?
- (2) What benefits do you think could be derived from such an investigation?
- (3) Approximately how much would you expect such an investigation to cost?

ACT Integrity Commissioner: The answer to the Member's question is as follows:

(1) Can you please elaborate on the basis for why you think an investigation into lobbying in the ACT would be of interest?

Interest groups having equal access to public officials is a legal and valid method of advocating for an interest to achieve a favourable outcome. Lobbying can achieve better policy outcomes through deeper understanding of issues facing governments' constituencies. However, lobbying also has inherent risks associated with it, which may lead to loss of public confidence, business or financial loss, biased decision making and lack of transparency. These risks include lobbying that preferentially and inappropriately benefits individuals, companies and/or politicians as a result of decisions made by politicians in response to lobbying. These risks are all detrimental to the public interest and effective public policies.

Several other anti-corruption agencies have instigated investigations into lobbying in recent years, all with reform recommendations as an outcome, following the uncovering of poor lobbying conduct.

NSW Independent Commission Against Corruption carried out Operation Eclipse, an investigation into the regulation of lobbying, access and influence in NSW. Operation Eclipse examined factors that could either allow, encourage or cause corrupt conduct or detract from the integrity and good repute of public administration.

QLD Crime and Corruption Commission released a report (Jan 2023) on influence and transparency in Queensland's public sector. The report looked broadly at examples and patterns of lobbying influence, decision-making and transparency across both state and local government.

The Victorian Independent Broad-based Anti-corruption Commission investigated several matters that led to a challenge of the effectiveness of the Victorian system of lobbying regulation. In Dec 2023, the Victorian Ombudsman released a report into the alleged politicisation of the public sector. The Parliament of Victoria then released a report in February 2024 into lobbying in Victoria outlining Victoria's lobbying framework and reforms proposed for regulating lobbying.

Compared to these other jurisdictions, the ACT is a small and highly interconnected community where links (personal, political and commercial) are invasive. Lobbying on an official and unofficial basis can occur easily.

ACT Integrity Commission investigations have identified the need to consider the influence of external parties on decision making.

While there are lobbying rules in place (Register of Lobbyists, ACT Lobbying Code of Conduct, ACT Lobbyist Regulation Guidelines), these are far from comprehensive. It is important to ensure the lobbying framework governs, as far as is practicable, all forms of lobbying and influence, at all levels of government, is contemporary, provides appropriate transparency and engenders trust in Government and the public service.

(2) What benefits do you think could be derived from such an investigation?

An investigation into lobbying may result in recommended reforms into ACT lobbying codes and guidelines to ensure all lobbying is undertaken on an equal access and transparent basis. Transparency is key to building trust in government and the public sector, and it is possible that an investigation, with clear outcomes and recommendations, may help enhance trust in the integrity of political decision making.

(3) Approximately how much would you expect such an investigation to cost?

The investigation would examine the practical application of the ACT's existing policies and codes relating to lobbying with particular focus on mechanisms that provide transparency and avoidance of conflicts of interest. Since this is not an investigation under s 100 of the *Integrity Commission Act 2018*, it would not involve the use of any coercive powers. Information would be gathered principally by interviews and analysis of documentation, from both government and non-government sources. Submissions would also be invited from interested parties. The ACT's lobbying framework would be compared to those of other Australian jurisdictions. The objective of such the inquiry would not primarily be to detect breaches of existing frameworks and potential corrupt conduct.

Such an inquiry would be expected to take at least 12 months from commencement. It would require recruitment of at least an additional investigator and an additional lawyer.

Approved for circulation to the Select Committee on Estimates 2024-2025

A handwritten signature in black ink, appearing to read 'M Adams', with a stylized, cursive script.

Signature:

Date: 13th August 2024

By the Commissioner for the ACT Integrity Commission, The Hon Michael F Adams KC