

**Australasian Study of Parliament Group  
Conference Presentation  
Friday 7 October 2016**

# **Lobbyists – Playing a Crucial Role in the Processes of Government**

**An insider's view on the lobbying process**

**Presenter - Hon. Wayne Matthew**

***“Ethical lobbying is a legitimate activity and an important part of the democratic process. Lobbyists can help individuals and organisations communicate their views on matters of public interest to the government and opposition and, in doing so, improve outcomes for the community as a whole”.***

***Queensland Integrity Commissioner***

**A MINISTER'S INSIGHT**

As a Shadow Minister, I received representations from a diverse array of local, interstate and overseas companies during the 18 month lead up to the 1993 State election from industries that included:

- Private Ambulance;
- Fire Appliance Manufacture;
- Fire Equipment Manufacture;
- Private Fire Equipment Service;
- Private Security;
- Private Prisons;
- Security Equipment and Surveillance;
- Construction;

## A MINISTER'S INSIGHT (CONT.)

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- Information Technology;
- Fleet Management;
- Building Management;
- Real Estate;
- Office Supplies;
- Sporting Equipment;
- Document Management and Archival.

## A MINISTER'S INSIGHT (CONT.)

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Most of the representations were from Managing Directors, Chief Executive Officers or other senior personnel and very few had a comprehensive understanding of the processes and requirements of Government, the roles of Ministers and the roles of Government staff.

I regarded most of the representations as naïve and poorly prepared. My view did not change during the ensuing 8 years during which I served as a Minister in a diverse range of portfolios. I decided at that time, that when I retired from politics, I would establish a consultancy service to assist companies to interact with Government.

**WHAT IS A LOBBYIST?**

# WHAT IS A LOBBYIST?

I have been unable to find any definition that I regard as complete. Just some of the definitions of the term 'lobbyist' include:

- A person who takes part in an organised attempt to **influence legislators** – *Oxford Dictionaries*;
- A lobbyist is someone hired by a business or a cause to **persuade legislators** to support that business or cause. Lobbyists get paid to win favor from politicians. For example, oil companies send lobbyists to Washington to try to make life easier for oil companies – *Vocabulary.com*;
- a person who tries to **influence legislation** on behalf of a special interest – *Dictionary.com*;



## WHAT IS A LOBBYIST? (CONT.)

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- The act of attempting to influence business and Government leaders to **create legislation** or conduct an activity that will help a particular organization – *BusinessDictionary.com*;
- a person who solicits members of a legislature for the purpose of **influencing legislation** – *Webster Dictionary*.

## A MINISTER'S INSIGHT (CONT.)



Three of the above definitions focus on influencing legislation and two on influencing legislators. These are very narrow and simplistic interpretations of what a lobbyist actually does. In my view a more appropriate and complete definition is:

*A person who educates companies and organisations about the processes of Government, examines problems with Government encountered by those companies and organisations, informs Government of the problems and advises constructive solutions to the problems. Informing Government requires dialog with some or all of Ministers, legislators and their employees, including regulatory officials.*

**WHAT DOES A  
LOBBYIST DO?**

# WHAT DOES A LOBBYIST DO?

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Over the past 9 years, GR Solutions has worked for a diverse range of companies and organisations in the resources, health, education and training, transport, finance, development, construction, custodial and not-for-profit sectors.

The work that we have undertaken for our clients includes:

- Developing effective corporate Government relations strategies including Federal, State and Local political contact programs;
- Identifying and consulting with key Government, regulatory and Opposition stakeholders;
- Managing relations with Ministers, parliamentarians, and regulators;
- Legislative and regulatory advice;

## WHAT DOES A LOBBYIST DO? (CONT.)



- Policy analysis;
- Advice on Government procurement processes - including tenders and direct negotiations;
- Advice on public-private partnerships, major projects infrastructure and outsourcing;
- Assistance with development proposals and approvals;
- Counsel on Government and Parliamentary Inquiries;
- Assistance with submissions and presentations;
- Contributing to debates, inquiries and questions in Federal and State parliaments;
- Decision monitoring, intelligence gathering and strategic advice;
- Issues and crisis management.

## WHAT DOES A LOBBYIST DO? (CONT.)



For more than 7 years I undertook work for a growing oil and gas company in the Federal, South Australian, Queensland and Victorian Government jurisdictions. Without divulging confidential information, I can advise that my work comprised in part:

- Continually educating company personnel about the processes of Government;
- Examining relevant Federal and State Government Bills and preparing reports on aspects of the Bills relevant to company operations;
- Examining Reports from relevant Federal and State Government and Parliamentary Inquiries and Reviews; and preparing reports on matters relevant to company operations;

## WHAT DOES A LOBBYIST DO? (CONT.)



- Preparing submissions for Federal and State Government and Parliamentary Inquiries and Reviews;
- Analysing Federal and State Budget Papers and preparing reports on matters relevant to company operations;
- Organising the involvement of key political and regulatory stakeholders in educational company Field Trips;
- Arranging for company sponsorship of political party events;
- On a wide range of matters, providing background briefings on behalf of the company, preparing written briefing material and organising verbal briefings on company matters for key Federal and State Government, Opposition and regulatory stakeholders;

## WHAT DOES A LOBBYIST DO? (CONT.)



- Preparing verbal and written briefings for senior company personnel on Federal, State and Local Government and Parliamentary matters;
- Preparing briefings for senior company personnel on relevant Federal and State election policy undertakings;
- Negotiating resolution of environmental approval disagreements, including the provision of educational factual material to regulators;
- Negotiating resolution of aviation approval disagreements, including the provision of educational factual material to regulators;
- Organising the opportunity and preparing material for, company presentation to Cabinet Committees and Parliamentary meetings;



## WHAT DOES A LOBBYIST DO? (CONT.)



- Writing justifying submissions for and negotiating, legislative and regulatory change;
- Negotiating Government contributions to capital works expenditure to facilitate value added economic development;
- Monitoring media and providing relevant key political stakeholder Media Releases to company personnel.

This list is by no means exhaustive but gives some insight into the diversity and complexity of tasks undertaken by a professional GR consultant on behalf of their clients.

**REGULATION OF  
LOBBYING  
IN AUSTRALIA**

# REGULATION OF LOBBYING

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When GR Solutions commenced operations in May 2007, there was no Lobbying Legislation in any Government jurisdiction in Australia and other than for just a few weeks in Western Australia, there were no Lobbyist Registers and no Lobbying Codes of Conduct.

I therefore developed a Code of Conduct to be followed by personnel employed or contracted by my company. That in part lead to the former Federal Labor Government inviting me to participate in a committee that examined improvements to the Federal Lobbying Code.

## REGULATION OF LOBBYING (CONT.)

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Today the Federal and all State Governments plus the Australian Capital Territory (ACT) require lobbyists and their clients to be listed on their respective lobbyist registers.

Only the Northern Territory does not have this requirement.

Generally, the registers have to be updated both quarterly and every time a new client is acquired.

Lobbyist activities are regulated and unlike the USA, Australian Governments require lobbyists to follow a *Code of Conduct* prescribed for their jurisdiction.

## REGULATION OF LOBBYING (CONT.)

WA State Government was the first Australian Government to introduce a *Lobbyist Code of Conduct* and *Register of Lobbyists*.

On 20 March 2007 the Premier tabled the *Contact with Lobbyists Code* in the Legislative Assembly and stated that the WA Code:

*“... creates the Register of Lobbyists, establishes rules for contact between lobbyists and ministers, parliamentary secretaries, ministerial staff and public sector employees and establishes standards of conduct for lobbyists who wish to be included on the Register of Lobbyists. The Contact with Lobbyists Code has application through the ministerial code of conduct and the codes of conduct that apply to public sector bodies”.*

The WA Premier further stated that the WA Code:

*“... will operate in such a way that no minister, ministerial staff member or employee of a public sector body will be permitted to have professional contact with a lobbyist unless the lobbyist is included on the Register of Lobbyists”;*

Similar requirements now exist in all Australian jurisdictions other than the NT.

The conference paper provided to each of you summarises the situation in each jurisdiction.

The Preamble of the Federal *Lobbying Code of Conduct* provides a good insight into the role of the profession in Australia:

1. *Respect for the institutions of Government depends to a large extent on public confidence in the integrity of Ministers, their staff and senior Government officials.*
2. *Lobbying is a legitimate activity and an important part of the democratic process. Lobbyists can help individuals and organisations communicate their views on matters of public interest to the Government and, in doing so, improve outcomes for the individual and the community as a whole.*

3. *In performing this role, there is a public expectation that lobbying activities will be carried out ethically and transparently, and that Government representatives who are approached by lobbyists can establish whose interests they represent so that informed judgments can be made about the outcome they are seeking to achieve.*
4. *The Lobbying Code of Conduct 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....*



**IS LOBBYING  
REGULATION  
ADEQUATE?**

## REGULATION OF LOBBYING (CONT.)



In recent years, lobbying has grown dramatically around Australia.

On the *Federal Register of Lobbyists* alone, there are 248 lobbying entities registered with the Department of Prime Minister and Cabinet. These entities have registered 654 staff and list 1,662 clients.

In addition to these registered entities, or 'third party' lobbyists, there are a diverse range of special interests who conduct their own lobbying, including unions, clubs, industry associations, in-house Government relations staff at major companies, religious entities, non-government organisations and charities.

None of these are required to be registered.

## REGULATION OF LOBBYING (CONT.)

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It is difficult to estimate the number of unregistered personnel who undertake lobbying activities but I would expect it to be more than 1,000 in Canberra alone.

In my view all of these personnel should be required to record their details on the appropriate Lobbyist Register in each Australian Federal, State and Territory Government jurisdiction in which they undertake their lobbying activities.

## REGULATION OF LOBBYING (CONT.)



Recently Australian National University Professor, John Warhurst told Fairfax Media that at most the Federal Register “covered a third of all lobbyists working the corridors of power” (3 September 2016).

Professor Warhurst also said that:

*"If (the purpose) is to give a broad picture of the amount of lobbying and who's lobbying on what and for whom, then it has to include a wider range of lobbyists, otherwise you've got a lobbying register that only covers a third of all the lobbyists in the country. The only justification for it not being extended is that it's administratively too hard, but these days I really don't think that argument stands up."*

## REGULATION OF LOBBYING (CONT.)



In a recent article, *“How the rise of the lobbyist is corrupting Australia's democracy”* (18 May 2015), *Sydney Morning Herald* columnist John Menadue (a former secretary of the Department of Prime Minister and Cabinet and the Department of Immigration and Ethnic Affairs, and a former chief executive of Qantas and general manager of News Limited) wrote:

*“Australia's capacity to tackle important public issues – such as climate change, growing inequality, tax avoidance, budget repair, an ageing population, lifting our productivity and our treatment of asylum seekers – is diminishing because of the power of vested interests, with their lobbying power to influence governments in a quite disproportionate way”.*

Mr Menadue concludes that:

*“Federal lobbyists have to be registered with the Department of Prime Minister and Cabinet, but this is inadequate. They should also be obliged to promptly, publicly and accurately disclose the discussions and meetings they have had with ministers, shadow ministers and senior public servants”.*

Requirements similar to this have recently been introduced in South Australia and Queensland. In my view they should be introduced into every Australian Federal, State and Territory Government jurisdiction.

# CONCLUSION

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Lobbying plays a critical role in Australia's representative democracy. The sheer plurality of voices in a country of over 24 million people ensures that Australia needs a system to filter and convey the views of its population to their elected representatives. To that end, the role of the lobbyist is critical.

Ethical, professional lobbyists educate companies and organisations about the processes of Government, examine problems with Government encountered by those companies and organisations, inform Government of the problems and advise constructive solutions to the problems. Informing Government requires dialog with some or all of Ministers, legislators and their employees, including regulatory officials.

## CONCLUSION (CONT.)

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However, lobbying also presents some challenges.

The potential for regulatory and Government processes to be captured by special interests, as well as the ability of powerful concentrated interests to drown out other voices in public debate, presents significant challenges for Australian democracy.

It will always be a careful balancing act to ensure that lobbying is appropriately regulated to ensure that lobbyists play an ethical and crucial role in the processes of Government.



***“Ethical lobbying is a legitimate activity and an important part of the democratic process. Lobbyists can help individuals and organisations communicate their views on matters of public interest to the Government and Parliament and, in doing so, improve outcomes for the community as a whole”.***

***Lobbying Code of Conduct, Tasmania***

# QUESTIONS

Government Relations  
Solutions

