

## **INTEGRITY (LOBBYISTS) BILL 2014**

### *Consideration in Detail*

**Clauses 1 and 2 put and passed.**

**Clause 3: Terms used —**

**Dr A.D. BUTI:** In this provision the word “communicate” has quite a comprehensive definition. What if a third party is utilised to get the message to the minister? The definition includes meeting in person or communicating by facsimile et cetera, but I say —

**Ms M.M. Quirk:** An agent.

**Dr A.D. BUTI:** Yes, if an agent or someone else communicates with the minister, how would that be caught by the legislation?

**Mr C.J. BARNETT:** If a lobbyist was to speak to a chief of staff of a minister, that would certainly be picked up under the legislation, but I guess the member is talking about something that is hidden in the sense that a lobbyist may advise an otherwise person who is not a lobbyist.

**Dr A.D. Buti:** Exactly.

**Mr C.J. BARNETT:** I do not know if that is technically picked up in the legislation, but that would be an attempt to pervert the lobbyist process. If the Public Sector Commission became aware of that, it would either fine or take that lobbyist off the registration list. That would clearly be an attempt to get around it.

**Clause put and passed.**

**Clause 4: Term used: lobbying activity —**

**Dr A.D. BUTI:** In my contribution to the second reading debate I flagged the issue around the definition of “lobbying activity”, which is again quite comprehensive. I alluded to the fact that Queensland also includes communications to the opposition in its legislation. I know that the Premier will not amend this provision but I would like his comment on that. In some respects that is a fair enough issue because often lobbyists can go to the opposition. If it is a hung Parliament et cetera, it could become quite important.

**Mr C.J. BARNETT:** I can understand the case but it is not one that I support. We need to make the point that the opposition is not the executive arm of government; that is the first distinction. However, we can get issues like the cash-for-questions affair in the British Parliament. Opposition members or perhaps even government backbenchers were basically paid to ask questions in Parliament, but that is really a matter of the integrity of the Parliament in that sense. I think that it is not appropriate, but it is true. Lobbyists will deal with opposition members, backbenchers and the like but the real responsibility comes on the executive; that is, the ministers and the parliamentary secretaries.

**Mr M. McGOWAN:** The term “lobbying activity” in this clause means communicating with a government representative. The definition of “government representative” refers to a range of people, including public sector employees, a public sector body and people who work for a public sector body et cetera. The Premier might recall that during the second reading debate we had a discussion about what constitutes a government body that a government representative might lobby, so my question is this: does this apply to the lobbying of government trading enterprises such as the Water Corporation, the electricity utilities, the Potato Marketing Corporation or any one of those government trading enterprises that do not strictly fit into the definition of, for instance, a government department or body of that nature?

**Mr C.J. BARNETT:** As the bill is presently structured, including the government entities on the schedule, government trading enterprises are not included. When I responded to that comment, I do not think the member was in the house, but I made the point that I thought the member had raised a fair point and although I have yet to discuss it with advisers, I am supportive of major GTEs being included within that definition—they are exactly the same. If the head of a GTE was to suddenly leave and become a lobbyist overnight, that person would have very intimate knowledge of contracts and contractual processes underway. I said I would undertake to have a look at that and perhaps respond when the bill gets to the other house. I am inclined to include certainly the major GTEs but I want to discuss that with the Public Sector Commission first.

**Mr M. McGOWAN:** Thank you for acknowledging the point. It would be an interesting list because, as the Premier knows, there are numerous government trading enterprises and the definition of a major versus a minor GTE might be difficult to determine. It would really come down to whether it is a government trading enterprise and whether it is bound by the bill. Is the minister suggesting that the binding would be in the form of only former senior executive service or equivalent staff having the year’s break from being able to work as a lobbyist, or that the government trading enterprises would need to comply with all the rules that a government department needs to comply with in terms of checking whether a lobbyist was registered before such time as they dealt with them?

**Mr C.J. BARNETT:** In my earlier response I referred to senior executives, such as the chief executive officers of a major GTE. There is a strong case for them not to be a lobbyist within 12 months. As to the other question about whether they should all comply, I do not favour going down that path. They are corporatised entities—most of them are—they are accountable to a board and the board is accountable to a minister. I do not see that case being as appropriate. They are trading enterprises rather than policymaking entities. I will look at that but I do not support it. I do support a 12-month cooling-off period for the larger entities. I will need to seek some advice on whether we extend that to every GTE or just the bigger ones, but it is a reasonable point of view that they be included.

Can I add that with regard to schedule 2, it is not a matter of saying “all in” or “all out”, or “what is big” or “what is small”; they can be individually attached to that list by the government or the Public Sector Commissioner on advice. I am not quite sure what that process is, but we might, for example, take in the energy and water utilities but not go down to the Forest Products Commission or something like that.

**Mr M. McGOWAN:** In terms of the definition of the role of government trading enterprise versus a policymaking body, which might be a government department, much of the lobbying activity is not with just government agencies about policymaking issues, but about the expenditure of public money by a government agency. As we know, all sorts of moneys are expended by government departments, in particular, the Department of Housing and some of the agencies that provide grants. Therefore, it would be anomalous to make a distinction on the basis of one as a policymaking agency and the other as a trading enterprise, because many government agencies engage in contracts. As I said, housing enters into joint ventures and all sorts of arrangements in the private sector in which the line between a trading enterprise and a government agency is blurred. I would have thought that if there is to be a rule in relation to the regulation of lobbyists and their interactions with government, the rule would apply to interaction with government across the board. I will seek an answer to that and make my second point in a moment.

**Mr C.J. BARNETT:** The point is that they have not to this point been included in the Register of Lobbyists. Since 2007, government trading enterprises have not been included. I understand the case the Leader of the Opposition has made and, as I said previously, I think there is a strong case for the cooling-off period for chief executive officers of GTEs. I would perhaps distinguish between the bigger and lesser GTEs. I am not sure it is necessary to apply the registration process and all the accountability provisions to all GTEs. I do not support it at this moment, but I am prepared to consider whether they should be included in the future. The GTEs are a bit different, they are corporatised, they are bound by directors’ responsibilities and they report to a board. There is a very rigid structure of accountability, so I think we need to think those issues through. I indicate that I favour CEOs of the major GTEs being subject to a cooling-off period, because clearly they would have detailed knowledge of current financial transactions, which I think would be inappropriate.

**Mr M. McGOWAN:** I do not want to harp on about the point, but I want to make two further points on that. When we refer to CEOs of GTEs, it is one CEO. When we refer to government agencies bound by this legislation, it is the senior executive service. If one goes through a major government agency, the senior executive service within the government agency is far more than the CEO; it might be a range of staff members within an organisation. In the case of organisations such as the Departments of Education or Health, it might actually be scores of staff members. If we are referring to a major GTE, such as the Water Corporation, Synergy, Western Power or the like, I would have thought that it would be more than just the CEO who is important.

**Mr C.J. Barnett:** I used that as an example. You’re probably right; they would have deputy and whatever else.

**Mr M. McGOWAN:** A range of staff would be caught by any such provision.

My second question is about agencies such as LandCorp and the Lotteries Commission. I am unsure whether the definition in this legislation captures agencies such as those. I am not sure that we could call LandCorp a government trading enterprise; it is some sort of hybrid. Will LandCorp, the Lotteries Commission and Racing and Wagering Western Australia be captured by these proposed laws?

**Mr C.J. BARNETT:** There are differences in those organisations. I have just been advised that the Lotteries Commission is captured as a senior executive service organisation under the public sector; LandCorp is not. That is where it stands now and what has evolved to this point. I will look at that list but, as the Leader of the Opposition said, there are two distinct issues: one is the one-year cooling-off period and the other is whether it should be fully treated as an organisation that has to comply in terms of any approaches from lobbyists. I cannot think of an example but, say, for Lotterywest, it may well be that an organisation uses a lobbyist to help prepare a case and a presentation for funding. There is nothing wrong with that, it may well occur, but that is seeking a grant that goes through a very rigorous process. I do not see that there is any opportunity to really defraud the organisation or for misuse.

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

**Mr M. McGOWAN:** Again, not wishing to whinge on this point, I think we have opened an interesting line of inquiry. The Premier indicated that organisations may not have a great deal of decision-making capacity that might be influenced, but I would think that there is enormous capacity for lobbyists to influence LandCorp's decision-making capacity. On top of that, many LandCorp staff have come out of government agencies immediately prior to their employment with LandCorp. I think there is some capacity for influence there. The other very interesting category of organisations, which as far as I am aware engages lobbyists, is universities, which are created by state acts of Parliament. I do not know whether universities are captured by this legislation or would be captured by the proposed amendments the Premier referred to that he might bring back. Considering that universities are creatures of the state Parliament, will the proposed lobbyist laws apply to them?

**Mr C.J. BARNETT:** Universities have always been exempted from this legislation. I would not propose to bring universities under this legislation—I think they have their own sets of governance—but they could be. The legislation would allow for that, but I would not intend to do that. The Leader of the Opposition gave the example that LandCorp might be lobbied—I am sure it is. It is also set up under legislation, is corporatised, has directors' responsibilities and liabilities and is also in a competitive place. I know the Leader of the Opposition did not say this, but it could be extended further to ask whether we are we going to apply this to private sector competitors to GTEs. I know that is not sensible, but the GTE is out there in the marketplace, acting as though it is a private entity, but happens to be government owned. I do not know that I want put whole lot of structures around that for government bodies that are in a competitive market.

**Dr A.D. BUTI:** The Premier mentioned that universities are not included at the moment —

**Mr C.J. Barnett:** They're exempt.

**Dr A.D. BUTI:** — but he might reconsider that.

**Mr C.J. Barnett:** No.

**Dr A.D. BUTI:** The Premier will not reconsider that.

**Mr C.J. Barnett:** I said that they could be, but I'm not intending to.

**Dr A.D. BUTI:** It is interesting, though, because universities are major commercial identities in today's world, and I think serious consideration would need to be given to their activities, especially if they are employing lobbyists. Of course, we have public and private universities. I think that there is great room for universities to use lobbyists, which they do now, and they should be considered in this legislation. For example, a former Minister for Education being employed as a lobbyist by a university may have great ability to influence a decision.

**Mr C.J. BARNETT:** We could go on forever and extend this legislation as wide as we want to, but we have to remember that this legislation and the 2007 code that preceded it relate to lobbying activities in which, generally, there was political pressure or influence applied. As we go out from ministers to departments to GTEs to universities, we get away from the core concern of improper influence over government ministers.

**Ms M.M. QUIRK:** Clause 4(3)(k) states —

any activity or class of activity prescribed by the regulations for the purposes of this paragraph.

What is contemplated will be included in those regulations? Why could it not be included in the substantive bill?

**Mr C.J. BARNETT:** Those regulations will come on advice from the Public Sector Commission. The bill sets out the framework that gives some discretion for the Public Sector Commission and the government of the day to respond to what could be changing circumstances. I do not think there is anything more than that in it. If we make the legislation too prescriptive, it makes it difficult to react to new situations that may arise. I alluded to such a situation in my second reading response. It seems to me from anecdotal observation that lobbyists now tend to work more behind the scenes. They do not turn up for a meeting, but they may well have been coaching and briefing people on how to prepare and present at that meeting. That is not necessarily a bad thing. Coincidentally, I had an approach by a lobbyist to my office only a few days ago, which I probably will not agree to, but I rarely have lobbyists ever talk to me in an official role; I might see them at a social function.

**Ms M.M. QUIRK:** In that context, the conduct that the Premier just described is effectively indirect lobbying, which is not covered within the definition. If such activity were to change, surely the substantive legislation should be amended and not be prescribed in legislation.

**Mr C.J. Barnett:** I do not have an answer to that; it is a point of view.

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

**Mr M. McGOWAN:** I am looking at the time frame; this bill will go to the upper house most likely today. The Premier's undertaking to the house is that during the course of that process, he will examine whether there are amendments. Will the Premier advise this house on his plan? If amendments are put in, I assume —

**Mr C.J. Barnett:** I'll advise you in writing. I'll make sure you're informed.

**Mr M. McGOWAN:** That would be good. The bill will therefore come back to this place for further debate if it is amended in the upper house along the lines we have been debating.

**Mr C.J. Barnett:** Yes, if it is an amendment, or it may be done by regulation.

**Mr M. McGOWAN:** That is good.

**Clause put and passed.**

**Clauses 5 and 6 put and passed.**

**Clause 7: Application —**

**Mr M. McGOWAN:** This clause refers to contact between a government representative and a lobbyist. Perhaps I should have asked this question under clause 4. Does the bill apply to interactions between a lobbyist and a member of Parliament, as opposed to a minister and/or a parliamentary secretary?

**Mr C.J. BARNETT:** No, it does not apply to members of Parliament, either government or opposition members. It applies only to people holding executive positions, which includes a minister and a parliamentary secretary.

**Mr M. McGowan:** What about the Speaker?

**Mr C.J. BARNETT:** I was just thinking about that as I was talking. I do not think it applies to the Speaker or to the President—no.

**Mr M. McGOWAN:** Is there a further lacuna in the bill in that the office of the Speaker and the office of the President of the upper house might need to be reformed? Considering that those offices are powerful positions in our system, the same rules might need to apply to them as apply to relations with ministers.

**Mr C.J. BARNETT:** Yes, the Speaker's position is a terribly powerful position but it is not part of the executive of government. I do not support the application of the bill to the Speaker or to the President. They are accountable to the Parliament that they lead. The positions are not an element of executive government. I think we ought to be careful that we do not spread this bill too wide; it will lose impact and effectiveness if that happens. I believe the application of the bill should remain with the executive government, although I have in previous conversations agreed to look at the position of government trading enterprises that can be added to the schedule.

**Clause put and passed.**

**Clause 8: Lobbying activity by unregistered persons prohibited —**

**Mr M. McGOWAN:** Perhaps my question on this clause will be dealt with in a later clause. Who will determine the registration process and whether a person is eligible to be registered as a lobbyist? Will it be a decision of the Department of the Premier and Cabinet or the Public Sector Commission? Which body will determine whether someone is eligible to be registered?

**Mr C.J. BARNETT:** The Public Sector Commission will set the rules and the policy. In a practical sense, the recording and notifying will be administered through the Department of the Premier and Cabinet but, if you like, the policy agency will be the Public Sector Commission.

**Mr M. McGOWAN:** If the Public Sector Commission determines that someone is ineligible, for whatever reason, to be admitted as a lobbyist, what criteria will relate to that? What appeal mechanism will there be for a person aggrieved by a decision of the Public Sector Commission? What are the criteria by which the Public Sector Commissioner will make that decision? Who will he or she receive advice from? Will the decision be made by a board, a body, or will it be a single decision on his or her behalf?

**Mr C.J. BARNETT:** The criteria are related to the Ministerial Code of Conduct, which details ethical behaviour, and probably the lack of criminal records and the like, but it will be a decision of the Public Sector Commission. For example, recently there was an approach to government by a former lobbyist who wants to be reinstated, and that is being handled entirely by the Public Sector Commission. I stayed right out of that. It is entirely for the Public Sector Commission to assess and to decide whether that person can be re-registered as a lobbyist. I play no role.

**Clause put and passed.**

**Clause 9: Certain persons not required to register —**

**Ms M.M. QUIRK:** I raised an issue about clause 9(d) in my second reading contribution. I really have some difficulty with the reason for excluding lawyers. Be that as it may, the definition refers to “the undertaking of lobbying activities is occasional only and incidental to the provision of the technical or professional services”. I will give an example. Let us say a lawyer at a big St Georges Terrace firm has Coca-Cola as one of his or her clients. They come to see the Premier in the early stages of policy development about container deposit legislation; there is no legislation yet before either house of Parliament; there is no legal advice per se to be given because there is no legislation on which to advise the client; and the nature of the lobbying activities is essentially about how the policy will impact on the commercial activities of that particular entity, rather than to put a particular legal position. As I said, that seems to me to be stock standard lobbying and not the provision of black-letter legal advice. Also part of that definition is that the activity “is occasional only and incidental”. I need some clarity on what those two words mean. Is there a percentage we can put on that lawyer doing that kind of activity, for example, or does the word “incidental” qualify for the general exemption and mean that they have to provide some black-letter legal advice before that exemption kicks in?

**Mr C.J. BARNETT:** The first point is that there will always be a grey area, but if someone were to present something to government or to a minister and they had a lawyer with them, it would be obvious that the person was employed in a professional capacity to provide legal advice and probably to help present the case. We would know who it was and what their role was: a lawyer, typically from a big or small law firm. It is similar to someone who comes in with a development proposal, for example, and brings in an architect to try to explain why the merits of a building that some might object to should not be objected to. I think we would know that they had come in a professional capacity, were employed by the client or person who employed them and would respond accordingly. I think that would be very visible and would be very well known; whereas this bill will pick up people who just simply hang up a shingle. I am talking about people who call themselves a lobbyist for hire and who come into Parliament and engage in political activities, or who try to win numbers for a bill going through Parliament or whatever else. That is different from providing professional advice. Similarly, as I said in my second reading response, most big companies and organisations have government affairs offices. Some have quite a large number of staff but we know who they are and that they are working for the company. The reason for this clause is to identify and bring into an accountable framework people who are just out there for hire, who may go well beyond any professional area and who may try to smooch a bill through Parliament or smooch a government into making an approval, or whatever else. That is the grey area that this clause is trying to capture. If people are dishonest, if they contrive to avoid these requirements, we will probably not stop them doing that—I just hope they get caught. The bill is not perfect; no-one is suggesting it is perfect. But I think it has already brought about a higher standard of conduct by lobbyists. I can think of people—I will not name them—who have wondered about the member’s point. They are wondering whether what they are doing is in their professional role or whether it is getting into lobbying. Some of them have registered as lobbyists to make sure there can be no confusion and they cannot get caught in that sense. They are not doing it out of trying to be sneaky; they just realise that there is a risk that their activities could be interpreted as that of a lobbyist, so why not register and get that risk out of the way? A lot of them have done that.

**Ms M.M. QUIRK:** With all due respect, Premier, there is a distinction between an architect and a lawyer. A lawyer can, if you like, hide behind the cloak of legal professional privilege. I am concerned that this sort of activity would not tend to relate to the provision of legal advice, but that the person would be there in the capacity of a lobbyist per se, pure and simple, and would use their legal qualifications, if you like, to ensure non-disclosure of the transaction. There is, therefore, a distinction, frankly, between an architect and a lawyer. I gave one example of lobbying effectively to influence government policy, rather than legal advice on particular planned legislation.

I will give another example. I had a client and I was required to go along to the then road safety board to lobby that the blood alcohol content level that attracted a penalty not be raised. Effectively, I was going along in a political capacity, not in a legal capacity, although I worked for a law firm at the time. It seems to me that there are rules about what is legal professional privilege and what is outside of that area. They are well known and the capacity to distinguish between those separate activities has effectively been established by the courts. I understand what the Premier is saying about professionals turning up, but I think lawyers are in a particularly different position. We have notorious examples of lawyers attending meetings essentially as lobbyists, yet somehow they are immune from the purview of this legislation.

**Mr C.J. BARNETT:** I can understand that. In the member’s case, as a lawyer and a member of Parliament, that could be a grey area. However, when that occurs and the activity is not so much about providing legal advice or interpreting contracts and conditions—I have had plenty of lawyers come to meetings on those sorts of issues—but is about trying to persuade a person as a lobbyist, I think the correct action would be for such a lawyer to register as a lobbyist. If there were complaints, I can imagine what would happen. If, for example, a lawyer came to me, as Premier, and clearly behaved as a lobbyist and talked about support in Parliament or about interest groups, I would question that and ask the Public Sector Commission to look into whether that person should be

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

registered as a lobbyist. Again, we are not going to correct every misdemeanour in the world. Indeed, there is nothing necessarily wrong with that, but that is a matter of professional standards. It is the role of the Public Sector Commission to look at those sorts of situations and at whether the person should be registered if that is their main line of business. Let me state again that I think lobbying has a legitimate role.

**Dr A.D. BUTI:** Obviously, the Premier is right. He will not be able to cover all the different scenarios. However, I think the issue about lawyers is quite pertinent and important. In America, for instance, a lot of law firms are just lobbyists. I know that is not the case here, but one could argue that one way to circumvent this legislation would be for law firms to act as lobbyists. Until the legislation is changed, there is nothing that would legally demand that they be registered as lobbyists. Taking the matter further, what about law firms that lobby on behalf of that law firm? They do not need to be registered as lawyers, but there might be some legislation that the government wants to introduce that may have particular commercial ramifications for the legal practice or the legal profession as a whole. They would not be caught by this legislation and one could argue that it would give them an unfair advantage.

**Mr C.J. BARNETT:** I know this is going a bit beyond the point that the member has made, but it is quite obvious what professional organisations such as the Real Estate Institute of Western Australia or the Law Society of Western Australia represent. They are not regarded as lobbyists; that is their prime purpose for being. They are not required to be registered because they represent an industry sector, a professional sector, an environmental group or the like.

**Dr A.D. Buti:** What about the law firm?

**Mr C.J. BARNETT:** As I say, I think that is a bit obscure. We are not proposing to go that far. This has been contained to what I think are the obvious lobbying activities. Basically, it picks up all the public relations companies and individuals who may work by themselves or in partnership. It is a small town and everyone knows who they are. It is trying to manage and have ethical standards in that sector.

**Clause put and passed.**

**Clause 10: Register —**

**Mr M. McGOWAN:** This clause relates to the establishment of a register for the purposes of the act. The current register is an online register, as I understand it. I assume that the new register will be in a similar format. I would like confirmation of that, even though it will be left to the discretion of the Public Sector Commissioner. Also, what sort of information will be required to be on the register? From recollection, the register has the name of the lobbyist and I am not sure what business details, but it also has a list of their client base. Is that the sort of thing that will be on the new register as required by the Public Sector Commission?

**Mr C.J. BARNETT:** It will be the same as currently exists. It would include, for example, the business name; the Australian business number; the names of the lobbyists and the positions they hold in the company; the names of current clients and clients over the past three months, both paid and unpaid; the names of the owners, partners or shareholders; and dates and details of lobbying activity. I think that is fairly comprehensive. It is all public information. This is a current example that I will pass to the Leader of the Opposition if he wants to look at it.

**Mr M. McGOWAN:** When the Premier refers to the dates and details of lobbying activities, does that mean that the register will be required to detail the meetings and interactions that the lobbyists will have with government agencies, government ministers and parliamentary secretaries? What sorts of details will be recorded about the interactions of lobbyists with government agencies or people working for the government?

**Mr C.J. BARNETT:** No, it does not. It includes the clients; it does not include the details of meetings. If there is an issue, that will be a freedom of information matter. Meetings are not included on the register; it is just the clients. If the client was Coca-Cola Amatil and it was about refunds on soft drink bottles, we would know which minister it would be. It does not include that and it should not.

**Clause put and passed.**

**Clauses 11 to 13 put and passed.**

**Clause 14: Certain persons disqualified from registration or listing —**

**Dr A.D. BUTI:** As the Premier would realise, during the second reading debate, the member for Mandurah and I commented on the issue of members of Parliament having a 12-month cooling-off period before they can be registered as lobbyists, and he rightly mentioned that the Leader of the Opposition probably thinks it should be more than 12 months. I can understand the arguments made for a cooling-off period. I have no intention of ever being a lobbyist; I could not think of anything worse. However, I feel that it is not necessary for another area of possible employment to be withheld from parliamentarians in their post-parliamentary life. They are being prohibited from utilising skills and experiences that they have obtained in their parliamentary life. A year can be

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

an immense time for them. The Premier probably will not respond to this, but I think I speak on behalf of a number of people in this house. It may be okay for people who are on the more generous old superannuation scheme because they can support themselves for that year, but for most people who are not on that generous superannuation scheme, a year without being able to utilise their skills and experience could be of immense financial hardship. I conclude by saying that many people do not understand how members of a previous Parliament could decide to reduce the conditions of future parliamentarians while they remained on a very generous superannuation scheme. If they really were so concerned about community standards, why did they not bring in a bill that made them change to the new scheme that the rest of us enjoy?

**Mr C.J. BARNETT:** I can understand the member's grief over the parliamentary superannuation scheme; that was one of the foolish moments in the history of this Parliament. However, I do not think that is related, although that link could be drawn. It may personally affect members, but it is not a link that should be made to this bill. I am very strongly of the view that a cooling off period is required. For the member's information, in other jurisdictions Queensland has a two-year period; Tasmania, 12 months; New South Wales, 18 months; the commonwealth, 18 months; Victoria, 18 months; and South Australia, two years. Every state has done it, and I think one year is adequate. I think events move on pretty quickly and knowledge becomes dated pretty quickly, but I think there should be that cooling-off period. I think it would be quite inappropriate for a minister, particularly, to one day be minister for something and next day be a lobbyist, so a 12-month period is important. Maybe it could be a little harsh on backbench members of Parliament but again, they sit on committees and they attend meetings and the like.

There was quite a discussion about this provision with regard to ministerial staff. I just checked and a chief of staff to a minister would also be subject to the cooling-off period, but we did not extend it beyond that for the reasons the member has outlined. When a government is turfed out, there are probably going to be some relatively mid-ranking or junior officers from ministerial offices looking for jobs around the lobbying industry, and I do not think junior and mid-level staff should be subject to that constraint, but I think ministers should be, and I think chiefs of staff also should be.

I understand the member's point; I cannot quite make the link to superannuation, but —

**Dr A.D. Buti:** It was just an opportunity to say it!

**Mr C.J. BARNETT:** Oh, well, it was very foolish! That is a different issue and I am happy to talk about it. Indeed, I will just make one comment: while they are perhaps minor in nature, getting rid of some of these superfluous entitlements of members of Parliament and former Premiers and whatever else should, I think, be seen in the context of either raising base salaries or improving superannuation.

**Clause put and passed.**

**Clause 15: Commissioner makes decisions on registration and listing and related procedures —**

**Ms M.M. QUIRK:** Will the commissioner's determinations be made public or tabled in some way?

**Mr C.J. BARNETT:** If someone sought to be registered as a lobbyist and was refused for not meeting the criteria, I do not think it would be made public and I do not think it should be. If someone was deregistered for misconduct or whatever it might be, I do not think it would be announced publicly but it would be obvious that they would drop off the register that is online, so I guess that would be public. If they are there one day and not there the next day, something has gone wrong.

**Ms M.M. Quirk:** By way of interjection, Premier, that means that technically speaking someone should always check the register before agreeing to meet with that person because there would be no other way of knowing if they had been deregistered.

**Mr C.J. BARNETT:** Yes, and it is standard procedure in ministerial offices to check that if a lobbyist is coming. The check would be first an inquiry about whether the person is a lobbyist, and if the answer is yes, they would then check that they are registered and that they comply. I am not complaining about it, but it does put quite an administrative workload on government departments and ministerial offices to constantly check and make sure that everyone complies.

**Clause put and passed.**

**Clause 16 put and passed.**

**Clause 17: Registrants and lobbyists to comply with code of conduct —**

**Mr M. McGOWAN:** It appears to me that the major teeth, if you like, of this legislation is the code of conduct that lobbyists are required to comply with. Clause 17(2) indicates that there is no civil or criminal liability attaching to a person who breaches the code; the commissioner just determines whether or not they are

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

deregistered as a lobbyist, as far as is indicated by that clause. Is that a correct reading of the legislation? Is that the only penalty for breaching the code of conduct under the legislation?

**Mr C.J. Barnett:** Yes, but it might be the person's livelihood.

**Mr M. McGOWAN:** That is if there is a breach of the code of conduct by the lobbyist; what if there is a breach by a public servant or the agency involved in the administration of these laws? What would be the consequence if that were to occur?

**Mr C.J. BARNETT:** The Leader of the Opposition's interpretation is correct. The penalty is either a fine or being deregistered.

**Mr M. McGowan:** Deregistered? You mean a public servant?

**Mr C.J. BARNETT:** No, I am talking about a lobbyist at the moment. The penalty for a lobbyist is a fine or deregistration if applicable. In the case of a public servant, if they did anything that did not comply or was improper—let a lobbyist in through the back door, or whatever else—that would be referred to the Public Sector Commission under the normal public sector disciplinary procedures. If a lobbyist came in and attempted to do something that was illegal—for example, a bribe—civil or criminal activity could flow from that act, but not just their appearance at the meeting. They may do something that is illegal and the normal law would apply.

**Mr M. McGOWAN:** Can the Premier advise me what provisions there are for fines, how fines are recovered and how someone is prosecuted in respect of a fine? Secondly, as the Premier says, a lobbyist might lose their business as punishment for breaching the code of conduct; there does not seem to be much in the intermediate zone of penalties for lobbyists who have breached the code, other than deregistration in totality. I would have thought there might have been something a little less harsh because that is a pretty extreme punishment and I expect that the commissioner would only ever issue it very sparingly, if ever, for a grievous breach of the code. If that is the main punishment that applies for a lobbyist breaching the code, I would not imagine it would apply very often.

**Mr C.J. BARNETT:** In the case of a breach of the code, if it is just a very minor breach or perhaps even an innocent mistake, I would imagine that the Public Sector Commission would advise the person and warn them about it. If it is a more serious breach, perhaps somewhere more in the Leader of the Opposition's middle ground example, a fine of \$10 000 will apply. The Public Sector Commission may choose to give a warning, a slap across the wrist, a fine of \$10 000 or deregistration; that is the scope of penalties.

**Mr M. McGOWAN:** It is a fine of up to \$10 000?

**Mr C.J. Barnett:** I think \$10 000 is laid down, but the commissioner might —

**Mr M. McGOWAN:** It would have to be up to; I think the Interpretation Act says —

**Mr C.J. Barnett:** Okay, you might be right on that. It's \$10 000.

**Mr M. McGOWAN:** A maximum of \$10 000. Clause 17(2) indicates no civil or criminal liability. I would have thought that a fine is at least a civil liability attaching to a person. How is the fine issued? If someone breaches the code, does the commissioner issue a fine to someone and it is then taken before a court? Is it challengeable? Is it administered by a bailiff? I am unaware of how that would work.

**Mr C.J. BARNETT:** I am advised that if the commissioner decides that a \$10 000 fine is appropriate, he would not do it directly; he would do it through the Director of Public Prosecutions.

**Mr M. McGOWAN:** Again, the part of clause 17(2) that reads "No civil or criminal liability attaches" does not make sense if one is going to be subject to a fine that is prosecuted by the Director of Public Prosecutions. I am unaware of how this would work and I am not sure it would work at all, in light of what the Premier just said. One could argue that the issuing of a fine is contrary to clause 17(2).

**Mr C.J. BARNETT:** I am sure that the Public Sector Commission will work out how that will be done. This is the first time a provision for a fine has been put in. It has not been there before, so it has not been tested in that sense. I do not expect that that would occur on many occasions—it may never occur—but the penalty is there and it is intended to act as a preventive strategy. As I said before, if a lobbyist undertakes illegal activity, the normal Criminal Code and law will apply.

**Mr M. McGOWAN:** To finish this line of questioning, it would seem to me that perhaps an additional consequence for breaching the code of conduct might be that the conduct of the lobbyist be suspended for a period of time and, therefore, there will be an additional consequence or punishment for a breach of the code. The government might want to look at introducing some sort of amendment in the upper house to allow for that opportunity to be provided by the Public Sector Commissioner, which provides something in the "intermediary

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

zone” as I termed it, to allow for breaches of the code that do not necessitate deregistration but necessitate some sort of consequence. I can foresee that the issuing of a fine might be problematic and that might provide an alternative option for lobbyists who breach the code.

**Mr C.J. BARNETT:** Clause 15(1)(b) is the provision that will deal with that. It provides that a person may have their registration cancelled or suspended, so the commissioner will have the option to suspend someone for, say, 12 months or whatever else. That is in the bill at page 14.

**Ms M.M. QUIRK:** My query is probably more an issue that relates to drafting, but why is the code of conduct not included as a schedule to the legislation? In a lot of consumer protection areas, the code of conduct relating to a particular industry is included as a schedule to the legislation. There is a general principle that laws that affect a particular group or individual should be as inclusive as possible so that people do not have to go to a number of sources to find out how the law applies to them.

**Mr C.J. BARNETT:** The code is included on the webpage. I am advised that the code of conduct is subsidiary legislation for the purposes of section 42 of the Interpretation Act. The bill allows sufficient administrative flexibility for the commissioner to amend the code as it goes along. I think it is publicly available. It is not included as a schedule, but it has the status as subsidiary legislation and, I think importantly, it allows the commissioner to make changes to the code as is necessary. It is not something that I feel strongly about, but that is the way it has been decided to be done and I think that is adequate.

**Clause put and passed.**

**Clauses 18 and 19 put and passed.**

**Clause 20: Term used: success fee —**

**Mr M. McGOWAN:** Success fees of course are a major change to the existing arrangement. As I understand it success fees are not prohibited under the rules as they currently apply, and in any event the rules are administrative and not enforceable. I understand that the government might want to prohibit success fees because they might encourage a lobbyist to engage in conduct that might be improper or beyond the ethical standards expected. How will these things be enforced given that the arrangements between a lobbyist and a client will be confidential? Is there a capacity for government to investigate? Will that be a capacity of search or discovery, or the like, or inquiry by agencies such as police or other government agencies? Will there be any capacity to investigate that or will it be just more of an honour system, if you like, on the part of lobbyists?

**Mr C.J. BARNETT:** Yes, I think we agree on the objective of the clause. It would depend on how serious the issue is—maybe how large a success fee would be—and the commission would have the discretion of perhaps going to the police, which might be one, or the Director of Public Prosecutions, which might another, and in the most serious cases, maybe to the Corruption and Crime Commission. But I think it is pretty clear that success fees are not acceptable. The commissioner would be able to access any of those prosecuting agencies and investigative agencies.

**Clause put and passed.**

**Clauses 21 to 28 put and passed.**

**Title put and passed.**

Leave granted to proceed forthwith to third reading.

*Third Reading*

**MR C.J. BARNETT (Cottesloe — Premier)** [3.37 pm]: I move —

That the bill be now read a third time.

**MR M. McGOWAN (Rockingham — Leader of the Opposition)** [3.57 pm]: I will speak briefly on the Integrity (Lobbyists) Bill 2014. It comes at a time when the opposition is cooperative on these issues and on a day that has been rather chaotic and shambolic in Parliament.

**Mr J.H.D. Day:** Not for long.

**Mr M. McGOWAN:** We have had two sessions of Parliament today. That is first time I have ever seen that. We should have had a question time this morning and then we could have had another one this afternoon. We were investigating the idea that we might have a matter of public interest as part of today’s sitting.

**Mr B.S. Wyatt:** Today is now Friday.

**Mr M. McGOWAN:** Technically we could say that we are sitting on a Friday today due to the management of the house, which has been somewhat chaotic. The best way I could describe the sittings of the house today is

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

with that word I love—bedlam. It has been like something out of Dante’s famous painting *Inferno*. It has been complete and utter chaos in the house. The only constant in the house, the only force of certainty and continuity in the house, has been the opposition—once again. Members of the opposition are in the house regularly taking up the issues.

**Mr B.J. Grylls** interjected.

**Mr M. McGOWAN:** We can hardly keep the house going if the government shows no interest. We closed the house down because we saw that the government had no interest.

**Mr J.H.D. Day:** It was an unusual confluence of circumstances, which is very rare.

**Mr M. McGOWAN:** We saw the government had no interest in the operations of house, so we just assumed that government members would not mind going home early. They are obviously exhausted by the events of the year, so the opposition Whip took the step of making sure that the government had its desire met. The Leader of the House said it was an unusual confluence of events. I am not sure that it is an unusual confluence of events to have the entirety of the Liberal and National Parties in the dining room at one point in time. I think that it is quite regular actually. It seems to be a regular occurrence in this place that the entirety of the Liberal and National Parties are in the bar or dining room.

**Mr J.H.D. Day** interjected.

**Mr M. McGOWAN:** Indeed, I was in the corridor when I saw the government Whip, who has had a nasty motion moved against him by the opposition Deputy Whip, steam past at high speed in one direction, and then I saw him run back at high speed in the other direction into the members’ dining room. I assume his food was getting cold, and although the house had risen he still had to get back in there to eat it. He was in there with the entirety of the Liberal and National Parties, noshing up. While the house was erupting in bedlam, he was —

**The ACTING SPEAKER (Mr P. Abetz):** Leader of the Opposition, I draw your attention to the aspect of relevance for third reading contributions. This is rather interesting, but I think —

**Mr M. McGOWAN:** All I can say is that Mr Acting Speaker is conflicted on this issue, because he was one of those out there enjoying the calories that come with this job in the parliamentary dining room.

**Mr J.H.D. Day:** That’s not where I was.

**Mr M. McGOWAN:** That is probably where the Leader of the House was as well.

**Mr J.H.D. Day:** No, that is not where I was.

**Mr M. McGOWAN:** He was enjoying the calories that come with this job while opposition members constantly ensure that Parliament works effectively. It is no small matter. It was unfortunate that the government allowed the house to collapse. It was a stunning example of chaos and bedlam in this house.

This is the third reading debate on the Integrity (Lobbyists) Bill 2014. The opposition has been cooperative in relation to this bill and has not moved any amendments. I note that some of the suggestions we put up last time have been adopted. One was that the Public Sector Commission be required to run a register. I made a suggestion during the second reading debate on what the arrangements for government trading enterprises should be. The Premier made an undertaking that the government will examine the arrangements for government trading enterprises and how the Integrity (Lobbyists) Bill might apply to senior staff within government trading enterprises, and whether the rules that relate to lobbyists will apply in their dealings with government trading enterprises. That is an important development, as is whether success fee arrangements will apply to government trading enterprises. By that, I refer to Synergy and the Water Corporation, and I think LandCorp is an obvious example. Even the Forest Products Commission—although, as indicated, it is a relatively small organisation—has a significant commercial role, and significant business interests interact with that body.

**Mr C.J. Barnett:** If I can interrupt, I think the only consideration in my mind is how that might relate to their accountability to the board and the like. I am not saying there is an issue, but that is the only thing at the back of my mind. But I think there is a strong case for the GTEs to be in.

**Mr M. McGOWAN:** I think that would be a significant amendment to the bill that might require some serious thought when drafting.

Some GTEs, such as Synergy, Western Power and the Water Corporation, are very commercial; other government trading enterprises are less commercial and might have more of a regulatory role. They include the Potato Marketing Corporation, as it currently stands, and the Forest Products Commission. Although they have a commercial role, they also have a regulatory, almost social, function, as far as I can determine, in working with industry in Western Australia. There might be considerable scope for amendments so that those bodies can be brought under the legislation. That would be an interesting development. I suspect it will take some considerable

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

redrafting and delay to the passing of the bill. On the basis of the undertaking the Premier gave us, the government will not pass this legislation through the upper house anytime soon, so it will be a matter for consideration next year.

**Mr C.J. Barnett:** Again, if I can interrupt, I do not think it is complex. All it will require is adding the GTEs to the schedule.

**Mr M. McGOWAN:** That would mean all provisions of the act will apply to the GTEs.

**Mr C.J. Barnett:** If they were, yes. That would be the simple mechanism; whether it is some or all, if they were added to the schedule that would do it.

**Mr M. McGOWAN:** That is contrary to what the Premier said earlier. I am not sure it would, because there are no senior executive service employees within government trading enterprises. As the Premier said earlier, there are chief executive officers and chief financial officers —

**Mr C.J. Barnett:** You might be right on that; okay.

**Mr M. McGOWAN:** The Premier indicated that he was not sure that the other rules should apply more generally, because government trading enterprises are often in competition with private sector bodies, in which the same rules would not apply. I am happy if they are all added to the schedule. I am happy if the bill is changed to specify the officers and ranks in the GTEs. I think that will be hard because some have chief executive officers and chief financial officers; others, such as LandCorp, might have a managing director—there is a range of terms. Some redrafting to the definitions part of the bill might be needed. I do not think it will happen next week —

**Mr C.J. Barnett:** No, it will not. We will look at that over the summer, before it comes to the upper house.

**Mr M. McGOWAN:** It might be March or April next year before this bill comes back to this house, then.

There will be changes to the law with respect to lobbyists. I think that, overall, they are good. The government did not go as far as the member for Churchlands might have historically advocated, but the changes improve on the existing situation. I think there are a few anomalies that might need to be fixed, and the government has given us an indication that that may well happen over the break. We will watch closely to see what has happened with these laws when they return to Parliament next year, assuming government members show up when Parliament reconvenes and are in the house at the appropriate time.

**MR B.S. WYATT (Victoria Park)** [4.06 pm]: I rise to make a very short contribution to the third reading debate on the Integrity (Lobbyists) Bill 2014. There has been a lot of conversation in this place over this three-week sitting period about transparency and accountability. That is the priority of this bill, as pointed out in the first sentence of the Premier's second reading speech on this piece of legislation, which reads —

It has been a constant priority of this government to move to restore integrity and to promote fair, open and accountable government.

We have spent some time over the last three weeks talking about local governments, and the government agreed to some amendments to the City of Perth Bill 2015 that will apply to all local government authorities around transparency and accountability for gifts. It certainly has been a sitting during which good amendments and additions have been made to Western Australian law around accountability in respect of not only the lobbyists bill but also local government. There is an argument that we can never be too accountable or transparent. I give, by way of example, my good friend the member for Morley, who, when he travels, is very transparent.

**Mr I.M. Britza:** Be careful.

**Mr B.S. WYATT:** The member for Morley is very transparent with his travel, as shown by some of the reports he has done. I have had some fun with the reports the member for Morley has done in the past.

**Mr I.M. Britza:** Thank you.

**Mr B.S. WYATT:** After the member for Morley went to India in May this year, he produced a very intriguing report to Parliament, as we are required to when we use our travel allowance to travel the world. I noted the very emotional report the member for Morley put in after he went to India earlier this year. He made the point of the minister taking his hand and going through the crowd together, and it was an overwhelming experience for the member for Morley. I was delighted to see that just a couple of weeks after the member for Morley returned from India, he went off to the United Kingdom for three weeks. That appeared in the report tabled today on travel. I note that the member for Morley —

... met the Head of the Official Report (Hansard) Bronwyn Brady who gave me an overview of the role and operation of the Official Reporting Staff.

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

I hope it was worth the trip to find out what Hansard does, because I think that is very transparent—the fact that the member for Morley is honest around the very important work of Hansard. I like the fact that he met with the First Deputy Speaker of the House of Commons and the Chairman of Ways and Means.

*Point of Order*

**Mr C.J. BARNETT:** As entertaining and as informative as this is, it does not relate to the third reading of the Integrity (Lobbyists) Bill 2014.

*Debate Resumed*

**Mr B.S. WYATT:** I am sure the Premier has a valid point of order. I must admit I just enjoy the transparency of the member for Morley and the fact that his conversations with the Right Honourable Lindsay Hoyle were “nothing short of intriguing, captivating and enthralling”.

**The SPEAKER:** Right. Member for Victoria Park!

**Mr B.S. WYATT:** I will not spend much time on this. My final point is of course then the member for Morley’s meeting with the Right Honourable Sir Alan Haselhurst—a meeting that he shall never forget: “Truly he is a wonderful man of integrity, veracity and just a plain gentleman.” I am not that transparent with my meetings, I must admit, when I meet people around the globe, and I am glad his trip to Hansard in the United Kingdom went well. I am glad it was money well spent, and I am glad that he had captivating and enthralling meetings with various colleagues in the United Kingdom.

**Mr C.J. Barnett:** You are being very unkind to Hansard staff.

**Mr B.S. WYATT:** Not at all. I actually think that the Hansard staff here in Western Australia are the best Hansard staff in the Westminster system of Parliament. I am just surprised that the member for Morley would go all the way to the United Kingdom when we can sit here and admire our Hansard staff every single day.

**Mr I.M. Britza:** You assume that I haven’t spoken with Hansard here.

**Mr B.S. WYATT:** Well, the member for Morley has not been transparent about that.

**The SPEAKER:** I think you have made your point.

**Mr B.S. WYATT:** I hope the member for Morley found them as enthralling as he found the staff in the United Kingdom.

**Mr M. McGowan** interjected.

**Mr B.S. WYATT:** Well that was the trip just a couple of weeks before.

**The SPEAKER:** Right. Come on, member for Victoria Park.

**Mr B.S. WYATT:** With those short words, I conclude my commentary.

**DR A.D. BUTI (Armadale)** [4.12 pm]: I do not know how I will follow. Maybe the other side will prefer that I do not replicate the contribution of the member for Victoria Park. The Integrity (Lobbyists) Bill 2014 is a very important bill brought to the house by the Premier. There is no doubt that we should engage in proper regulation of lobbyists. As I have mentioned a number of times in my contribution to the debate on this bill, America has reached a new level, and hopefully that will never be the case here. Whatever level it does reach in Western Australia, we should ensure that there is proper regulation of lobbyists. From the debate and from the consideration in detail stage, it would appear that the purpose is not to shut out lobbyists, but to ensure that they follow a proper code of conduct, we have a proper regulation of lobbyists, and it is open and accountable, because it is the secrecy that will often lead to improper conduct. To that effect, the bill is welcome. I mentioned some of my reservations, although that is a valid point about the opposition—but that point has been made and we will leave that be for now.

In conclusion, though, I note that the Premier was quite considered and gracious in my linking of clause 14 to the whole issue of superannuation, and I note that the Premier mentioned that he has some sympathy for the view that I am sure a lot of members of this house have on the superannuation scheme.

**Mr C.J. Barnett:** All I can say is, don’t blame me.

**Dr A.D. BUTI:** I agree that the Premier was not the instigator, but it was his Parliament that he sat in that decided to vote in favour of that bill on the future conditions of parliamentarians. The parliamentarians who were current members at the time remained on the old superannuation scheme, and a number of them remain in this house. We have a Parliament in which people work under two different sets of remunerations doing the same work—and are subject to the sound accountability of Parliament. The irony of it all is that the public think the ones on the new scheme are on the old scheme. We have to take the gibes et cetera, but we do not enjoy the

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

benefits. I understand the Premier was not the instigator of it—far from it. However, it still amazes me, and I shake my head from day to day, when we could have a Parliament agreeing that a system should be changed, but those members remain on the old system. That I find really galling. I note that the government has made changes to entitlements. The Premier mentioned in his reply to me that he would hope that those entitlements may lead to the improvement of conditions for parliamentarians with regard to base salary or superannuation. It would be nice if the Salaries and Allowances Tribunal took consideration of the Premier's comments in that respect. They will be my concluding comments.

**MRS M.H. ROBERTS (Midland)** [4.15 pm]: I rise to speak to the third reading stage of the debate on the Integrity (Lobbyists) Bill 2014. I have talked about the 500 Club passing money across to the Liberal Party and how that basic accountability would not be in place for Parliament until the loophole in the legislation for declarations was changed. The Premier has responded via the media, I think, saying that the 500 Club accounts are audited. My point is this: there is no public register. People can donate more than the \$12 400 to the 500 Club, and there is no public record. We cannot see or join the dots between any donations to the 500 Club that then flow into the Liberal Party and any actions that executive government might take. That is the flaw in the system. There is a loophole here. The Premier has said from the start of this process that this bill is somehow an indication of his government's priority for accountability and transparency. There is no priority, because, firstly, it has taken so long to bring the bill into the house, and, secondly, the bill really does so little and leaves gaping holes in government accountability and transparency in this state—chief among them, as I have pointed out, the loophole that allows money to be donated to the 500 Club or to other entities and for it not to be declared as a donation.

**Mrs G.J. Godfrey** interjected.

**The SPEAKER:** Member for Belmont!

**Mrs M.H. ROBERTS:** The Premier can dress it up however he likes, and he can claim that there is some accountability there, but there is no openness or transparency. It is not publically available information. As I highlighted yesterday in my contribution to the second reading stage of this bill, \$200 000 was transferred across in the document that I referred to there from the 500 Club—an organisation I believe was set up principally to support the Liberal Party financially. It is an anomaly and a loophole. It is frankly a nonsense for the Premier to say that somehow it is all open, accountable and transparent because there is some auditing process.

**Mr C.J. Barnett:** I did not say that.

**Mrs M.H. ROBERTS:** I do think the Premier is trying to mislead people when he made those comments to the media and on radio. This bill has gone a little way, very slowly. It indicates very fully this Premier's and his government's tardiness when it comes to doing anything at all about accountability in government in this state.

**MR C.J. BARNETT (Cottesloe — Premier)** [4.18 pm] — in reply: I thank the opposition for its support for the Integrity (Lobbyists) Bill 2014. In terms of the bill itself, the major issue to come out, principally from the Leader of the Opposition, relates to whether government trading enterprises should be included. I am sympathetic to that point of view. As I stated and I state again, before this bill goes into debate in the upper house, which will be next year, I will look at that and seek some advice. If there is a case for a government department to be subject to the laws in this bill, that probably applies equally to GTEs. The only caveats I put on that is that they have a board that is subject to the normal requirements of company directors. They compete against private sector organisations and I would not want to make a new imbalance.

I think the other issues were canvassed properly and fully in the consideration in detail stage. With respect to the last comments made by the member for Midland, again I guess she is talking about disclosure of political donations, which is not the subject of this bill. This bill relates to the activities of lobbyists. The only link I suppose I could make is a success fee, but that goes to the lobbyist, not to a government or a political party. I want to make it clear again: I did respond to the member's comments yesterday because they were absolutely wrong.

**Mrs M.H. Roberts:** No, they were not.

**Mr C.J. BARNETT:** I challenged the member for Midland yesterday to provide me with a single example of a political donation that “flowed”—I think that was her word—through the 500 Club to the Liberal Party.

**Mrs M.H. Roberts:** You said through the media that the 500 Club does not accept donations. That is what you said in the media. Read the ABC article.

**Mr C.J. BARNETT:** Let me say what it does. It has a membership. I do not know what the number is but it is a large membership. It charges a membership fee, which is not insignificant, and it also charges for functions. The club has a very active program of lunches, speakers and events, and it charges a healthy price for that. That is the club's income. In making contact with the 500 Club yesterday, it absolutely assured me that no company and no member can make a donation to the 500 Club —

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

**Ms M.M. Quirk** interjected.

**Mr C.J. BARNETT:** No, listen to me. No member and no company can make a donation to the 500 Club that is then passed on to the government; that is not its activity.

Several members interjected.

**The SPEAKER:** Order, members!

**Ms M.M. Quirk** interjected.

**The SPEAKER:** Order, member for Girrawheen!

**Mr C.J. BARNETT:** The point I make is that the 500 Club has its own articles. It operates on a strict basis of membership contribution only and money raised through events, which it accumulates. Once it has deducted its cost of operation, it funds the Liberal Party, but it does not accept donations. No donations are made to the 500 Club.

**Ms M.M. Quirk** interjected.

**The SPEAKER:** Order, member for Girrawheen!

**Mr C.J. BARNETT:** Find the evidence. Find me one skerrick of evidence, because it does not.

**Mrs M.H. Roberts:** Publish the data.

**Mr C.J. BARNETT:** The member made an accusation without any basis at all.

**The SPEAKER:** I just want to tell you now that people have had a chance to speak and it is the Premier's turn to speak, so do it through the Chair, thank you.

**Mr C.J. BARNETT:** This is not the subject of this bill.

**Mrs M.H. Roberts** interjected.

**The SPEAKER:** Member for Midland!

**Mr C.J. BARNETT:** The member can do whatever she wishes but I again state that I have had this verified by the 500 Club. It is a substantial contributor to the Liberal Party. The club believes in the Liberal philosophy; it was established for that purpose. None of that is questioned. That is its purpose, but its revenue is from —

**Mrs M.H. Roberts** interjected.

**Mr C.J. BARNETT:** Listen! The revenue it receives is from an annual membership fee. I am a member of the 500 Club and I pay a membership fee. Its revenue also comes from the profits it makes by running functions that are typically attended by Liberal ministers—federal or state—and sometimes leading business people and others. The club makes money from those functions. As an election approaches, it makes a large donation. But the accusation made by the member for Midland was that —

Several members interjected.

**Mr C.J. BARNETT:** Be quiet, members! The accusation —

**Mr F.M. Logan** interjected.

**The SPEAKER:** Member for Cockburn, you have been called three times today. I do not want to become nasty in the closing stages of the debate.

**Mr C.J. BARNETT:** I will conclude. The accusation made by the member for Midland is that somehow companies or individuals make political donations to the Liberal Party, which they funnel—that was her word —

**Mrs M.H. Roberts:** No, it was not.

**Mr C.J. BARNETT:** Sorry; all right, “flowed”. It has the same sense. The member made the accusation and the innuendo was that companies and people out there would like to make a donation to the Liberal Party, but they secretively funnel, channel or flow that through the 500 Club. The reason that the member for Midland is becoming so shrill is that she has no evidence because it does not happen and the 500 Club has never, ever engaged in that activity.

**Mrs M.H. Roberts** interjected.

**Mr C.J. BARNETT:** Here is a challenge, member for Midland: give me a single example or a skerrick of evidence. She cannot because she made it up. There is no evidence of that happening—no evidence at all.

**Mrs M.H. Roberts:** Publish the data and be transparent. What is the Premier hiding?

**Extract from *Hansard***

[ASSEMBLY — Thursday, 26 November 2015]

p9092d-9106a

Dr Tony Buti; Mr Colin Barnett; Mr Mark McGowan; Ms Margaret Quirk; Mr Ben Wyatt; Mrs Michelle Roberts

---

**Mr C.J. BARNETT:** Nothing. If the member has any evidence of any wrongdoing, she should bring it forward. She has no evidence, she has done that deliberately and she is wrong.

**The SPEAKER:** I have allowed some banter; I want this to move on.

**Mr C.J. BARNETT:** I have concluded my comments.

Question put and passed.

Bill read a third time and transmitted to the Council.