

Submission from the Hon. Frank Pangallo MLC

Lobbyists (Restrictions on Lobbying) Amendment Bill

Second Reading

Adjourned debate on second reading.

(Continued from 18 February 2020.)

The Hon. F. PANGALLO (15:57): I rise to speak on the second reading of the Lobbyists (Restrictions on Lobbying) Amendment Bill 2019. The bill seeks to ban an office bearer of the state governing body of a registered political party or an associated entity, such as a union, from becoming a registered lobbyist in South Australia. I have a set of amendments that relate to further restrictions on lobbying and amendments on the issue of the publication of ministerial diaries, an area of particular interest to me.

This government has often repeated its mantra that it is a government operating with the ultimate levels of accountability and transparency, yet there have been many examples where they have been far from open and accountable. The Gayle's Law and GM crops regulations, hidden fee hikes and land tax aggregation are just a few examples. In November 2018, I asked the following question of the Treasurer:

In May 2014, former Liberal New South Wales premier Mike Baird made a commitment to publishing ministerial diaries to 'restore the public's trust in our political process'. The policy was implemented four years ago. Similar policies have been implemented in the Australian Capital Territory and in Queensland, where ministerial diaries are published retrospectively every month and provide details like dates and purposes of meetings, organisations or individuals, including registered lobbyists, and attendance at meetings with external parties seeking to influence policy or decisions.

My question to the Treasurer is: given the Marshall government is similarly focused about bringing greater transparency to government, what is the Treasurer's and the Premier's view of having an open book and will the Treasurer and the Premier endorse that the Marshall government implement a policy of publishing South Australian ministerial diaries?

The response tabled by the Treasurer a month later was pretty pathetic. Let me quote:

There are currently no plans to proactively disclose the diaries of ministers. Under the Lobbyists Act 2015, lobbyists are required to publish details of the meetings they hold with ministers on an annual basis. The government is currently considering ways on how to improve this legislation to further increase transparency.

The problem is that the Lobbyists Act only requires to publish details of the meetings they hold with ministers once a year—simply not good enough. I am really interested to hear from the Treasurer about exactly what ways the government was considering how to improve the Lobbyists Act to further increase transparency, because I do not see it in this bill, which is why I have prepared my set of amendments.

My amendment No. 3 [Pangallo-1] provides a requirement of the government for the publication of ministerial diaries. New South Wales does it and Queensland does it. It is what all good governments should do. The amendment provides that ministers must publish on a website details of all

scheduled meetings relating to their ministerial portfolio during a calendar month within six weeks after the end of the relevant month.

Social functions, personal meetings or meetings with other ministers, for example, are excluded. However, South Australians have a right to know who government ministers are meeting with and who is possibly exerting influence over them in relation to their portfolios. My amendments Nos 1 and 2 [Pangallo-1] provide for an extension of the period of time preventing a former minister from engaging in lobbying to three years, and goes further by providing that should the government for which they acted as a minister still be in power then that former minister is still precluded from lobbying until their former government is no longer in power.

Whilst I have no objections to former ministers, or MPs for that matter, working in this area per se, there does need to be some healthy distance between their term of service and taking up the new job. I am talking years not months. Speaking to former MPs who were not the beneficiaries of a generous parliamentary retirement scheme, they have told me of the difficulty faced trying to get employment in the private sector because of their previous political ties. Companies can be reluctant to be linked to be a person on the opposite side of the political fence to one in government or vice versa.

Former MPs, like anyone else in the community, should not be discriminated against. However, there does need to be a time line drawn in the sand when it comes to the appropriate time to return and engage in the political sphere on behalf of paying clients with an agenda or a particular interest. While these lobbyists do possess a sound knowledge of the mechanics of government, there could also be an adverse perception of attempting to seek favourable outcomes from members or ministers they had working relationships or ongoing friendships and associations with.

It can also be an area fraught with peril for serving parliamentarians and ministers. The last thing they would want is the slightest stench of corruption claims hanging over their heads. It is all a little too cosy for my liking and does not pass the pub test that a former politician profits on the basis of that cosiness. In recent times, there has been scrutiny over former defence minister and Liberal Party prime mover Christopher Pyne's new gigs advising companies linked to defence industries, and his lobbying on behalf of property owners opposed to land tax. As you would expect, because of his connections as a powerbroker, the Liberals would naturally open the door wide to him.

I will admit to seeing him on the land tax issue; however, that discussion was short lived—it was a matter of a minute—when I made my position clear to him. But I did not want his clients to think that they had wasted a lot of their money on the exercise. As I do enjoy his company, the least I could do was run down the clock on his hourly charge, so we talked about other mundane matters, like his ambition to be chairman of the Crows and the unique flavour of my Coles Almond Spekulatius biscuits, which he choofed down with his short black coffee. Nonetheless, I feel there needs to be some distance between gigs, particularly when there are potential conflicts of interest.

In the midst of this, transparency campaigners, such as Transparency International Australia, have renewed calls for a five-year prohibition on post-ministerial lobbying. I have extended the current prohibition from two to three years. Why should anyone have to engage a Christopher Pyne, a Julie Bishop, a Malcolm Turnbull, a Tony Abbott, a Kevin Rudd, a Joe Hockey, a Kevin Foley or an Alexander Downer to get access and to advocate their issues? This is not how democracy is supposed to work in this state and in this country. It only serves to put the spotlight on undue influence and raises questions as to whether policy decisions are being made that are in the public interest. It is an illustration that powerful industry groups, such as property developers and political donors, see the value in hiring well-connected former politicians to do their lobbying—and it stinks.

Former ministers have access to privileged information and connections to other ministers in government that few others would have. Lobbying expert George Rennie of the University of Melbourne has said:

Not only are current ministers more likely to grant access to former ministers, but research shows that there is a greater chance that they will accede to the lobbying. This sort of bias in decision-making is inevitable but should be minimised where possible.

Lobbying by former ministers has the effect of giving them significant and undue sway over decisions and is part of the reason why some countries appropriately prevent ministers from lobbying for up to five years. I have settled on three years in my amendments, hoping that this will find favour in the chamber.

South Australians and voters across the country are tired of how powerful and influential lobbyists have become in shaping Australia's political and policy landscape. We often get calls in our offices from constituents who cannot get a meeting with government members, the door seemingly being closed to them because they are not influential enough.

In conclusion, I put on the record that we will be supporting the Hon. Mark Parnell's amendment to exclude former commonwealth ministers, along with former state ministers, from lobbying for a certain period. On the face of it, I am also inclined to support the Hon. John Darley's amendment to prevent registered lobbyists from undertaking fundraising events. I look forward to hearing his comments on that amendment before making a decision. I am also keen to hear from Labor about their amendment, which, as I understand it, seeks to clarify certain elements of the legislation before making a decision. With those words, I commend the second reading of the bill to the chamber.

Debate adjourned on motion of Hon. D.G.E. Hood.

At 16:09 the council adjourned until Tuesday 24 March 2020 at 14:15.