

INTEGRITY (LOBBYISTS) BILL 2014

Standing Orders Suspension — Motion

MR J.H.D. DAY (Kalamunda — Leader of the House) [12.43 pm]: I move —

That so much of standing orders be suspended as is necessary to enable further debate on the second reading of the Integrity (Lobbyists) Bill 2014 to take place before the Premier continues with his second reading reply.

I will briefly explain. The reason for this motion is that there was a bit of a mix-up last night. The Premier commenced his reply on the understanding that there were no further opposition speakers on the bill. Approval of this motion will allow other members to speak.

MRS M.H. ROBERTS (Midland) [12.44 pm]: The opposition supports the motion to suspend standing orders and is pleased that the Leader of the House has moved it.

Question put and passed.

Second Reading

Resumed from 24 November.

MRS M.H. ROBERTS (Midland) [12.44 pm]: I think the Integrity (Lobbyists) Bill 2014 is as important for what is not in it as it is for what is in it. The Premier has really oversold this bill. The opening line of his second reading speech has been commented on already by a number of speakers. He said —

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

Of course, that is a fallacy in many ways. It is just nonsense to suggest that it has been a constant priority. It is almost as though the Premier has forgotten that he made the promise to introduce lobbyists legislation ahead of the 2008 election. He said that he would support the legislation that the former member for Churchlands, Hon Liz Constable, had promoted in the years leading up to 2008. That was the expectation that the Premier committed to ahead of the 2008 election, yet we did not see lobbyists legislation go through Parliament, despite the Premier and his party having a majority arrangement in both houses.

Mr C.J. Barnett: What has this got to do with the suspension motion?

Mrs M.H. ROBERTS: Wakey-wakey! The suspension motion has been dealt with and agreed to. This is my contribution to the second reading debate, so perhaps the Premier should acquaint himself with what is before the house.

The Premier may not like what I have to say but the fact of the matter is that it has not been a priority of government. This legislation is very much overdue. Arguably, it could and should have been done about five or six years ago at the very latest. There was an expectation that the Premier would deliver on this in his first term in government. That is what he and the former member for Churchlands committed to. That was certainly the expectation of the former member for Churchlands, Hon Liz Constable—that she would be part of a government that would bring forward lobbyists legislation. Why do I know that? I know that because providing for open and accountable government was one of the key platforms constantly of the former member for Churchlands. She came into this place on many occasions and called on the former Labor government, and on conservative governments before that, to be accountable. There has been an important need for legislation around lobbyists for quite some time. The fact of the matter is that when we look at that opening oversell by the Premier, we know that it has not been a priority. If it were a priority, it would have been introduced years ago. It did not happen. Then there is this effort to restore integrity, implying that there has been a lack of integrity. I point out that the Liberal Party has been in government for the past seven or so years.

I said at the outset that important things are effectively missing from the bill. If the Premier wants to claim that this bill will suddenly provide for fair, open and accountable government, it will not. A number of previous speakers in this debate highlighted some of the things that are lacking in this legislation. We cannot have openness and accountability in government if we do not have proper disclosure laws in this state. This bill is absolutely silent on disclosure laws. I will get to why disclosure laws are important at a later stage of my comments.

Basically, the Integrity (Lobbyists) Bill 2014 sets out to promote and enhance public confidence in the transparency, integrity and honesty of dealings between lobbyists and government representatives by effectively doing three things—providing for the registration of lobbyists, providing for the issuing of a code of conduct for lobbyists in their dealings with government, and prohibiting registered lobbyists from agreeing to receive

payments or other rewards that are dependent on the outcome of lobbying activities. That is all this bill is about, so anyone who thinks it will suddenly provide for fair, open and transparent government, because that is what the government has oversold the bill to be, would simply be wrong. There are disclosure laws in this state that see political donations made public up to 18 months after those donations have been put in place. There are organisations that are effectively shielded in those disclosure laws, none more prominent than the 500 Club. The 500 Club is an organisation that donates significant amounts of funding to the Liberal Party, yet we do not know where any of that money comes from, and in this day and age we should. Anyone who knows what has gone on in some of the other states—for example, what is happening New South Wales where Premier Mike Baird has attempted to restore some integrity in government—will know that in New South Wales there are very different laws to provide for openness and transparency within government.

In New South Wales, donations from developers are not allowed and I think that there are very good reasons for that. There is a lot of concern at the moment about how much influence developers have. I, like a lot of people, agree that there is room for a lot of urban infill and that it does not make sense to have continuous urban sprawl, but I also note that there are developers out there making windfall gains, particularly because of changes to planning laws that this government has made. It has gone for a policy that promotes substantial increases in density in the metropolitan area and there is a good case for some substantial increases in density, particularly around transport nodes such as train stations and the like. It does not make sense to keep extending services to the north, to the south or to the east and to keep expanding our metropolitan area greatly. What does make sense, though, is that there is some transparency here, because there are plenty of issues. In my electorate on the urban fringe of Perth, I find there is a lot of pressure taking place, as there is beyond my electorate in neighbouring shires such as Mundaring—I know there is a lot of pressure there. Therefore, it is not just important to get the balance right between urban infill and some increase in population density in already established areas so that the value of services provided in those areas can be maximised; there also needs to be some transparency. Effectively, in colloquial terms, we need to know that there is not some dodgy deal being done, that there has not been some backhander—or whatever the term for it is—given to the Liberal Party or the 500 Club in return for some favour.

Mr C.J. Barnett: Have you got any evidence for that? Is it a slur with no evidence?

Mrs M.H. ROBERTS: The Premier has said this is about openness and accountability, so will he commit to having proper financial disclosure legislation through which the cover of the 500 Club cannot be used?

Mr C.J. Barnett: There is no cover in the 500 Club.

Mrs M.H. ROBERTS: Of course there is.

Mr C.J. Barnett: No, there is not.

Mrs M.H. ROBERTS: Of course there is.

Mr C.J. Barnett: Where do you think their money comes from that they donate to us? It comes from running functions—luncheons and dinners.

Mrs M.H. ROBERTS: Will the Premier commit to making those donations open? Will the Premier let us know which developers have donated and which ones have not?

Mr C.J. Barnett: That is all accountable, if they are significant donations; they are all disclosed.

Mrs M.H. ROBERTS: No, they are not.

Several members interjected.

Mrs M.H. ROBERTS: We do not —

The ACTING SPEAKER (Mr N.W. Morton): Members!

Several members interjected.

The ACTING SPEAKER: Member for Cannington, and Premier! I was okay to allow the Premier and the member for Midland to have an exchange, but I cannot have multiple members interjecting across the chamber. I think we will just draw it back to the member for Midland; you have the call. I would like to listen to the member for Midland.

Mrs M.H. ROBERTS: Thank you, Mr Acting Speaker. This legislation is about providing for an environment that protects the interests of the public, and effectively that is what needs to be done. I made the allusion to New South Wales because in that state it is illegal to take donations from developers, yet it is not in this state. I think that that is something —

Several members interjected.

The ACTING SPEAKER: Premier! Members, I am listening to the member for Midland.

Mrs M.H. ROBERTS: The Premier keeps making interjections because he does not like what I am saying, but the fact of the matter is that if the Premier wants to be perfectly honest about it, and obviously he does not, there has been corruption on both sides of politics in New South Wales. Liberal and Labor have taken corrupt donations in that state—each of them is equally wrong. There have been many examples in New South Wales in which Liberal members of Parliament, Liberal ministers, have taken inappropriate donations and they have not appropriately declared them, and people have received favour. Exactly the same thing has happened to a string of Labor ministers in New South Wales. The side of politics it happens on should not matter. What matters is having a system that has some integrity—a system that is open and accountable. The Premier can say that we have that in WA if he wants to, but we simply do not. We do not have that in Western Australia. We do not have the same level of accountability that there is in New South Wales. We have a system that does not declare each of the sources of money that comes into the 500 Club, which then flows in to the Liberal Party. The member for Cannington might assist me here because he will have a much better idea of the amount, but I think that the 500 Club probably gives up to \$2 million a year.

Mr W.J. Johnston: It is not that much, hundreds of thousands.

Mrs M.H. ROBERTS: Hundreds of thousands of dollars a year flow from the 500 Club through to the Liberal Party of Western Australia, and the public is not informed. The sources of those donations are not publicly available information, so the public does not know how much money is coming in from big developers, and it should. I should not have to —

Several members interjected.

The ACTING SPEAKER: Members!

Mrs M.H. ROBERTS: The Premier, sadly, is very hypersensitive about this issue, because he clearly does not want to provide the kind of transparency that exists in other states. I can see why he would not want to do that—because he has a source of funding for the Liberal Party whereby the money that comes in is completely undisclosed. All we know is that it has come via the 500 Club. The 500 Club does not run a business as such, it does not manufacture things or get income from property or whatever else; it survives on donations. Yes, it holds some functions and raises some money that way, but it takes in donations. It takes in money from developers and others.

Mr C.J. Barnett: Have you got evidence?

Mrs M.H. ROBERTS: It is a fact. It is a fact of what it does.

Several members interjected.

The ACTING SPEAKER: Members!

Mrs M.H. ROBERTS: Then hundreds of thousands of dollars flow through to the Liberal Party. The Premier can debate that if he wants to. He can say that black is white if he wants to, but the fact of the matter is that year in, year out, hundreds of thousands of dollars flow from the 500 Club to the Liberal Party, and there is no public disclosure of how the 500 Club has acquired that money. I do not know whether the Premier really is Pollyanna and he actually believes that there is nothing untoward happening. I am at pains to point out that I am not saying that anything untoward has happened—that there has been some dodgy deal in which someone has given the 500 Club 10 grand or 100 grand or some amount of money that has flipped over into someone's campaign because some developer has gotten approval. I am not saying that. I am saying that there is the potential for corruption when there is not an open and accountable system. In terms of political donations, this system is not open and accountable. I do not think that this lobbyists legislation is all that it could be and provides all the protections that it could. By itself it does not provide for open and transparent government. It is not necessarily about individuals; it is about having systems and legislation in place to give the public confidence that no dodgy deal has been or can be done.

I will go back to the issues in my own electorate. I have no particular allegation to make, but I know that planning and environmental decisions are made in my electorate and on the fringes of it, and people would want to know whether the developers or proponents behind these proposals have given money to the 500 Club, or indeed to the Labor Party or the Liberal Party. Donations to the Labor Party or the Liberal Party above a certain low amount have to be disclosed. However, the disclosure is often made very much later, so it is difficult for people to join the dots.

I thank the member for Cannington for providing me with these facts. In the disclosure of money received by the Liberal Party in the declaration year 1 July 2013 to 30 June 2014, the 500 Club, of Post Office Box 7556, Cloisters Square, WA, is shown as donating \$200 000 to the Liberal Party. The Premier can try to dispute this if

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[ASSEMBLY — Wednesday, 25 November 2015]

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he likes, but my statement stands: hundreds of thousands of dollars travel, year in, year out, across from the 500 Club to the Liberal Party of Western Australia. The fact of the matter is that \$200 000 —

Mr C.J. Barnett: Your accusation was that money was being funnelled from the 500 Club to the Liberal Party.

The ACTING SPEAKER (Mr P. Abetz): Members! The member for Midland has the floor.

Mrs M.H. ROBERTS: That is right; the Premier continues to interject.

[Member's time extended.]

Mrs M.H. ROBERTS: I did not use the word “funnelled”. That is the Premier’s word. He interjected on me, saying, “Your accusation was that money is being funnelled from the 500 Club to the Western Australian branch of the Liberal Party.” I did not use the word “funnelled”; he is trying to put that word into my mouth.

Mr C.J. Barnett: Well, what did you say? You’re backing off now.

Mrs M.H. ROBERTS: The Premier continues to interject. I suggest that perhaps he might like to look at the *Hansard* record, and he will find that I did not use the word “funnelled”.

Mr C.J. Barnett: So what did you say?

Mrs M.H. ROBERTS: The Premier continues to interject. I said that money flowed from the 500 Club to the Liberal Party of Western Australia. Premier, that is not news.

Mr C.J. Barnett: You said more than that. You said that developers were channelling money through the 500 Club.

Mrs M.H. ROBERTS: Everyone except the Premier would accept that that is just a fact. Money flows from the 500 Club to the Western Australian Liberal Party. Further to that, Premier, I said that there is no transparency about who donated that money to the 500 Club. It is just another fact. We do not know where that \$200 000 came from. We know that, under the Electoral Act, amounts of more than \$12 400 received annually have to be declared annually. It is not done in as timely a way as I think would be appropriate, but donations of more than \$12 400 have to be declared annually. However, the 500 Club can simply send \$200 000 across to the Liberal Party all in one go, and all that we know is that it has come from the 500 Club. We do not know, but included in that \$200 000 might be money from developers or someone else in the community, who may have given \$15 000 to the 500 Club for some purpose, but it is not disclosed. It is a loophole in the state’s donation laws. If the Premier wants to claim that he is providing for openness, accountability and transparency, we will not have that in this state until there are proper electoral disclosure laws.

It is not just me making up these claims; people in my electorate ask me about this all the time. I know the Premier will go into hyperdrive if I mention a certain building in Guildford, and what has gone on there, but people in the community would like reassurance that nothing untoward has happened and that there has not been any untoward donation. I suspect that there has not been, but would it not be great to know? Would it not be great to have those disclosure laws so that we would know that? I am not suggesting that there has been a donation with respect to the development at Rosehill, but I think people should know whether those developers at Rosehill, who have received a tick for a controversial development, have donated to the Labor Party, the Liberal Party, the Greens or someone else. I very much doubt that they would donate to the Greens, but we deserve to know that. That is why we have electoral laws that donations of greater than \$12 400 need to be disclosed. However, it is not disclosed in this state if someone donates the money to the 500 Club and it then flows through to the Liberal Party.

I have another situation in my electorate at Helena Valley concerning land abutting the Helena Valley estate. I have no idea whatsoever who the developer is. On the estate is a little lake with three tributaries coming into it. Long-necked tortoises live in the lake. The development proposal is concerning people very much. There seems to be a dispute about whether or not the lake is man-made. Personally, I think it is somehow connected to a groundwater system and the Helena River in that area. There is no doubt a potential compromise can be made to save the lake and its wildlife. Some 287 trees will potentially go if that development goes ahead. The trees continue to provide a beautiful habitat for our wildlife, particularly the amazing array of birds in that area. I think that Joe public should be able to look this up on a register, when and if we find out who these developers are. Hopefully we will find that out from the Shire of Mundaring shortly. We should be able to join the dots on something like this. We should be able to go to the Shire of Mundaring to see who the applicant is for this rezoning from rural to residential. I am not making any accusation here. I have no idea who the developer is. These people may not even be remotely interested in politics or anything else. I have no idea whether their proposal is an ambit claim or is genuine. I hope that the Shire of Mundaring will reject this proposal in its current form. I do not know how the Minister for Planning will react to it, and I do not know whether there is currently a role for the Minister for Environment. If the company behind the development, the directors of that company, or people with major investments in it, donate to a political party all of a sudden and had not done so before, the

public deserves to know that. At the moment we cannot have that confidence, because there is a backdoor way of donating to the Liberal Party. A donor can give money to the 500 Club, and it then flows through to the Liberal Party. Until that is closed off —

Mr C.J. Barnett: Do you have any evidence of that?

Mrs M.H. ROBERTS: The Premier likes to make allegations about the Labor Party all the time, and he basically says that his whole philosophy is, “Trust us, because we’re the Liberal Party; we don’t do that kind of thing.” No side of politics is immune from this kind of thing. We have seen that in Victoria, in New South Wales particularly, and in Queensland. There is more corruption on the conservative side of politics in Queensland than in any Labor government just about anywhere. I do not know why the Premier keeps taking this so personally. I do not know why he keeps interjecting. I do not know what he has to fear from a proper, open and accountable system that presumably the Premier would like to see if Labor were in government. Maybe he does not; maybe he has a reason for not wanting donations to the 500 Club to be accounted for. I do not know that the 500 Club exists for any purpose other than to have gatherings of conservative and business-minded people and donate money to the Liberal Party. I do not think that it donates to any other party. It certainly does not donate to the Labor Party or the Greens Party. I doubt that it donates to any other party, so its sole purpose in fundraising is to pass money onto the Liberal Party, something that the Premier says is okay because, “We’re all good blokes, trust us; we act with integrity. We don’t care who gives us money or whatever.” Come on; if he has followed what has happened in Queensland, New South Wales or anywhere else, he needs to be able to join the dots. As long as secret donations are made to the 500 Club in this state, we will not have openness, transparency and accountability. I think people know that. I think once upon a time the Premier knew that. If he were on this side of the house and a Labor government were in office, he might take a different attitude. Maybe he would not; maybe he would hope that the donations kept flowing into the 500 Club and eventually he would get into government. I do not know. It seems to me that he said one thing when he was in opposition sitting on this side of the house with Hon Elizabeth Constable saying that he supported open accountability and her calls for disclosures. The Premier said it would be a priority when he was elected. Of course it was not. It is absolute arrant nonsense for the Premier to say in his second reading speech that somehow, fair, open and accountable government has been a priority for him. It has taken him seven years to seriously put forward the Integrity (Lobbyists) Bill. It is a little bit too little and very late in his term of office.

MR C.J. TALLENTIRE (Gosnells) [1.11 pm]: I rise to speak to the Integrity (Lobbyists) Bill 2014. I begin by acknowledging the Leader of the House and the Premier who were able to accommodate me and enable me to speak on this bill when there was procedural confusion last night—late last night, hence the confusion.

This bill is ultimately about ensuring that people do not have undue influence on the decision-making processes of government. In his second reading speech, the Premier said that the bill was designed “to restore integrity and to promote fair, open and accountable government.” I think the bill goes some very small way to achieving that overall aim. It will provide for increased transparency in the interactions with government of people who are paid as professional lobbyists. It will do that but when it comes to promoting fair and open government, I have questions. I believe that the current system is inherently unfair and weighted towards those who wield enormous power, those who have enormous wealth. They are the ones who get access to government at all levels—government at the highest level. They have easy access to the executive arm of government. Their meetings are diarised and we can find out about it. But we do not always hear about the little side conversations that occur at cocktail parties and at Christmas drinks and the like; those quick little snippets of information that are exchanged; those little words of encouragement such as, “Amendments to the Mining Act—good stuff; we’re happy with you on that one.” None of that is ever recorded but we must acknowledge that many people on all sides of this Parliament frequent circles in which we have those conversations. We have those conversations with the rich and powerful. Sometimes we manage to hear from people who have no real power or real wealth. Of course, if we are working effectively as local members, we definitely get to hear from our constituents about what is of concern to them. But when there are major—I will use the example of the resources sector—resources projects, the developer’s views, the technical planning, the financial feasibility, the so-called social benefits, the environmental impacts and the planning decisions around a particular project are all brought to the fore by people who are working for those who have a vested interest in the ultimate outcome of the project. They have a vested interest in the project going ahead so that they can then make profit from that project. That is the situation today and I think it is unfair because very often the voices of people with valid different views are sometimes heard but in no way to the same extent as the voice of the rich and powerful. Where is that voice heard? Sometimes it is heard in the media space, but I am more concerned about the level of access that people representing the rich and powerful have to mid-level government officials so that they can massage their projects through the system and explain it, whereas mid-level government officials have almost no access to people who might put a counterview, even though they might have very valid information to put forward.

Extract from Hansard

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This bill is about how we tackle the issue of undue influence. It goes some way to improving the level of transparency of dealings with paid lobbyists. Earlier today, I tabled a petition on behalf of the Avon and Hills Mining Awareness Group, a community group based in our Perth hills. It has heard that a mining company, which I believe has Chinese financial backing, has designs on bauxite deposits throughout the Perth northern hills area. The mining awareness group is very concerned because the people who live in that part of the Perth hills have invested in properties there. I acknowledge that the Premier has a property in that general area. I used to live in the Gidgegannup area of the Perth hills. Some people have invested there with small agricultural pursuits in mind, often for the general lifestyle of living in the Perth hills. That is often because they want to protect environmental values there. None of those people have bought properties in that part of the Perth hills because they want to live next to a bauxite mine. Suddenly, a bauxite mine is being talked about. The company is talking it up, and it has already hired public relations people who are putting out notices in little shops and adverts in local papers keen to suggest that all kinds of employment opportunities could be generated should the series of mining proposals go ahead. The reality is that the mining company is already developing up its proposal and using lots of money to develop it. Meanwhile, people such as the members of the Avon and Hills Mining Awareness Group have to do their work of putting forward a different view—a view of concern—with very limited resources. They are all volunteers. It could be argued that they have some degree of self-interest because they live there and do not want to see their homes or localities compromised with bauxite mining nearby, but they do not have anywhere near the resources that a mining company has. This unfairness, this unlevel playing field that we have to deal with, is a serious issue. I think it is an issue that we must deal with much more broadly than this bill will allow us to. It will enable us to just scratch the surface by designating that the names of people working as professional lobbyists will be on a register and that will be made apparent. That is one sliver of the overall problem that we face of people with large wealth using their wealth and power to achieve undue influence. It is all about how Parliament protects the interests of all citizens by not enabling some people to have undue influence over the whole decision-making process.

I noticed in the public gallery earlier today people who are active lobbyists for non-government organisations. They came in especially to hear the Minister for Environment present the second reading speech on the Biodiversity Conservation Bill. It is commendable that they came to hear that bill being read in. Some of them work for organisations in a paid capacity, but many of them work in a volunteer capacity. They came here because they are passionate about environmental values, about the biodiversity conservation of our natural heritage, about the threatened species and ecological communities and about the protection of habitats. They are concerned about an ongoing decline on so many fronts when it comes to the protection of our environment. Unfortunately, this government avoids the detail because it no longer produces the “State of the Environment Report”. When I ask questions about the extent of native vegetation destruction, I get only a sliver of the picture; I get only one small fragment of the overall picture. On certain issues, such as the amount of destruction that goes on because of exemptions, we do not get an answer because we cannot know because it is all done under an exemption.

A very consistent pattern in the operations of this government over the last seven years has been: do not tell people too much; do not give them too much factual information because they might get upset; hide all that away. Fortunately, representatives from the Wilderness Society and the Conservation Council of WA, who work very long hours on very small wages, are constantly around meeting tables where they are the token sole representative of the environment movement. They are stretched incredibly thinly. Seated around the table are people who earn all kinds of salaries—some well in excess of the sorts of salaries that a backbencher here is paid. In many cases those representatives will be sitting around the table with people who are paid more than the Premier. People who are paid well over \$300 000 represent, and argue the case for, powerful interests, while at the other side of the table there may be someone who earns \$60 000 a year as the head of an environmental organisation—that is if they are lucky. Not only that, they attend those meetings having rushed from one meeting to another and having all the responsibilities of keeping an organisation together, including general management tasks. They enter into the meeting with limited preparation and limited backing, but across the table is this person on a \$300 000 salary, who no doubt has had a week to prepare for the particular meeting. They would have all sorts of briefing notes. They would have well-rehearsed lines, having run them past a public relations expert. That would have enabled that expert to give them feedback and provide comment. A terrible imbalance is occurring. I think the broader community expects much better. I do not think many Western Australians appreciate how significant this imbalance is. Creating some additional degree of transparency is commendable, but it is not the whole story. We really need to tackle the extent of undue influence.

During debate a few weeks ago on the Healthway bill, the Western Australian Health Promotion Foundation Bill 2015, I raised the undue influence that I saw of those involved in big alcohol, big tobacco and big junk food organisations. I pointed to a letter that was sent to the Premier from Carlton and United Breweries. That spurred me to ask more questions, so I tried to obtain more information through freedom of information requests. I have just received that so I am only beginning my scrutiny of it. One piece of information that came through from those FOI documents was an interesting tactic when it comes to influencing organisations and influencing government

policy—the issue of alcohol sponsorship. Members might recall that Healthway, when Dr Rosanna Capolingua was in charge, wanted to run a very strong campaign against the alcohol industry. One of its key campaign areas was that alcohol and sport do not mix. I thought that made a lot of sense—alcohol and sport do not mix. We want to promote healthy lifestyles. When we watch elite athletes performing at various venues, we see an amazing amount of advertising from big alcohol organisations. It seems totally inconsistent. Healthway was onto that problem. I am not sure that that will be the case with the new arrangements for Healthway.

In my initial exploration of the FOI documents I was intrigued to note that a group known as the WA Sports Federation was the most outspoken opponent of Healthway's pressure to remove alcohol sponsorship, specifically from junior awards. I was appalled when I saw this. It is something that I want to raise in more detail on another occasion. It is an interesting misuse of peak bodies by commercial organisations. What is apparent from my initial reading of things is that big alcohol organisations have said to the WA Sports Federation, "If you do the bidding for us and criticise the idea that we could remove alcohol sponsorship from junior sports awards, then we'll come up with some supporting arrangement for you." That is, if I can use the term, a corrupting of the process. I think that is totally wrong. I question the motives of the WA Sports Federation and what inspired it to take such a critical view of Healthway's laudable objective of removing alcohol sponsorship from junior sports awards. That shows how the process of lobbying can influence. We can talk about transparency when it comes to paid lobbyists, but there are many other ways in which undue influence can be brought to bear in our society. I am very concerned about that.

Ultimately it comes down to the nature of pecuniary interest. I have talked about the environmental campaigners and about the Avon and Hills Mining Awareness Group. Many more local community campaign groups become involved when some terrible proposed development is thrust upon people, and people come together to try to voice a community perspective. They are forced to suddenly become experts in things such as the planning process and the environmental impact assessment process. They suddenly have to try to skill up on things such as environmental law. They have to do that on their own now because currently, at a state and federal level, there is no support for the community legal centres that were there for people to turn to. The Environmental Defender's Office is another example. That strips away any hope for those who are not rich and powerful, but are just normal people. It strips away their capacity to comment, to call it as they see it and to express a community view. It strips away their right to be heard. I think that is a real tragedy. The Environmental Defender's Office no longer has the capacity to get directly involved by providing legal views to groups such as the Avon and Hills Mining Awareness Group. That is terrible. There are complex legal issues out there. If nothing else, the EDO would have been able to explain some of the procedures and some of the legal options. Surely, no matter how much merit there is around a particular project, it is worth people having their say. I have seen that on many occasions. A media characterisation might be that there are those people who are for a project—the rich and powerful—and those who are totally opposed to it. Quite often we get to a point of compromise and the project ends up going ahead.

[Member's time extended.]

Mr C.J. TALLENTIRE: The project goes ahead, but with the benefit of the wisdom that resides in the community, because it does not reside in mining resources companies, environmental consultancies or government agencies. The rate of churn, or turnover, of staff is far too great for any of that so-called corporate memory to exist and be retained. Instead, the good knowledge resides in the community sector, and it is by empowering the members of the community sector and enabling them to have a strong voice that we get to hear their views. There are some cases in which we can say we ended up getting a much better project because we enabled that voice to be heard. I remember hearing about Forrest Highway when it was in its construction phase. A lot of people were concerned about some of the environmental and social implications of Forrest Highway, but to its credit at the time, Main Roads Western Australia said, "We'll have community liaison people. We'll actually employ somebody." I remember that the officer from Main Roads, Tony Missikos, was very active in making sure that the community voice was heard, and I think in the end we got a better road and a better outcome. A small group of people was still opposed to it but overall we got a far better outcome. Main Roads used measures such as testing construction and demolition waste for its use as road base. When things are tested out, community endorsement is brought forth, and that is a good thing.

At the moment, though, we have gone backwards in this place. All the government agencies are told, "Oh no, just go ahead and do it. Don't waste time. And if you do have to have a bit of liaison, just listen to them but don't actually pick up on what their advice might be." I am sure that around this chamber of 59 members we would all have disappointing stories like that to tell. Where does that attitude of not wanting to listen to community views come from? I think it must come from the top down, because the view is, "Oh no, you just let these people get on with it." Alternatively, I have to say that the previous government had a real desire and a process for listening to community views. People opposite would say, "Oh, it's all about process and not about outcomes", but sometimes those processes are essential.

Extract from Hansard

[ASSEMBLY — Wednesday, 25 November 2015]

p8906b-8918a

Mr John Day; Mrs Michelle Roberts; Mr Chris Tallentire; Mr Colin Barnett

Of course there are many occasions when projects should not go ahead, and those are the times when all sorts of community anxiety and strong community views are expressed. Yesterday, there was a rally against the Roe 8 project. Communities in the vicinity of that project clearly do not want it to happen. They are doing a great job as community campaigners, but there is no way that the resourcing and effort that goes into the lobbying commitment they have made rivals the amount of money that the government has spent on its government relations work on that project. There is therefore this ridiculous imbalance throughout our system. Whether it be in the property development sector, resources projects or infrastructure projects, a terrible imbalance occurs.

Although I see the Integrity (Lobbyists) Bill 2014 giving us some additional powers, I really do not think we are tackling this problem at its heart. For instance, we need a process by which to examine the claims that proponents often put forward about the employment opportunities that will be developed by a particular project. We have very good assessment processes for looking at the environmental aspects of projects, and they are thorough processes. The outcomes are another subject but the processes are fairly robust. However, do we have an equivalent process to that of the environmental impact process when it comes to testing the claims of a resources company on the economic benefits that might come from allowing a particular project to go ahead? We do not have such a process; there is no way that we have one. There are some amazing examples of the resources sector having said things about the economic benefits of a project and then what has come to pass in the end has been nowhere near what it said. The differences we have seen are amazing. However, one of the most striking examples of the lack of scrutiny that happens and the absolutely extreme outcomes that we get can be seen in what was said 10 years ago about the Gorgon project on Barrow Island. I remember having conversations about the Gorgon project with the Premier when he was Leader of the Opposition and I was at the Conservation Council of Western Australia. We spoke about the big \$9 billion project on Barrow Island. Of course, now, 10 years later, we know that it is a \$63 billion project. The extent of error that the proponents made was enormous when it came to estimating the costs. Yes, they have employed more people than they originally anticipated. I think when the project was originally talked about, it was anticipated that about 3 000 people would be on Barrow Island at any one time during the construction phase, whereas I understand now there are up to about 6 000, and that will continue to be the case until construction work is complete. It just shows how loose these projections were at that early planning phase for the engineering works and how we need additional scrutiny of these things so that such claims can be tested. That scrutiny is sorely missing, and it relates directly to this issue of undue influence. If our system allows people to make all kinds of claims to go untested about the economic benefits to Western Australia that might come from a project, we can be easily seduced and won over by the idea that a mega project will deliver economic wealth to the whole state forever and a day. Alternatively, if we could test the claims, we might find that they did not stack up and we would then remove that undue influence that comes with such outrageously extravagant claims.

I know that this issue of undue influence is not unique to Western Australia. Some people in society have far greater access to lobby the decision-makers than others have. It is an issue that is testing all western democracies. It is an issue that I think leads to the very frustration that many of us in this place encounter every time we are out and about in our electorates. When we talk to our constituents, they say that it is pointless to try to change something. They may have seen something go wrong or a piece of social policy that needs fixing because it is not working out for them and they explain the issue to us. They hope that we will pick up the issue and change it but then they say, “But I know you’re not going to get anywhere with it. You’re not going to really be able to do anything.” That is because they have the impression, mostly I have to say from the media, that the system just does not work for individual people—normal people. They are constantly told that; the message constantly put out there is, “Oh well, the political system is broken.”

I certainly find—I imagine that other members find it—that I spend a lot of time trying to encourage people to tell me the full story to help me resolve their particular problem. I find myself having to build up their confidence in the political process because they have heard that their issue is just not going to be solvable. They have been told that and they believe it because they have seen it on the commercial TV news services or even on the ABC news service. They have been told to be cynical of the political process. They have lost faith in it. But in fact, at the same time, bills come through this place, for instance amendments to the Mining Act—I keep coming to the resources sector for examples—or to the planning process that indicate a clear vested interest. Recognition of the problem happens and within a matter of months an amendment bill is drafted and the bill goes through this place in no time at all. The rich and powerful get their legislation through this place in express time. Meanwhile, many people who live in my electorate have been sold this idea that they cannot bring about change. There you go! There is another example of the undue influence that is going on in our society: somehow the rich and powerful have managed to convince normal people that the political process will not work for them, when if they were to be told that the political process is viable and credible—although perhaps slow at times and not perfect—and they can have their views heard, they would be able to make much greater use of it. Unfortunately, the rich and powerful are quite happy to keep perpetuating that myth that the system does not work for those people. Those with real power, therefore, continue to have incredible access to decision-makers. This is where

government has to step in. We have to be careful. We need to be judicious about this. We need to be judging the extent of access that each of us as individual members of Parliament give to one side of an argument versus those on the other side of the argument.

This transparency measure has merit and I support it—that is, ultimately it is down to members of Parliament to determine who they will listen to. We then have to start to set the guidelines so that that happens within the bureaucracy because, at the moment, I can tell members that if they look at the number of meetings that are going on today down at, say, the Department of Environment Regulation, the Department of Parks and Wildlife or the Department of State Development, they will be full of industry-type people on very high salaries. They will be flooding through with all sorts of technical and supporting information to justify their proposals. Groups like the Avon and Hills Mining Awareness Group have not had meetings with the DER or the Environmental Protection Authority about their concerns. They will not have had those meetings. However, those proponents will have countless hours with the EPA to explain their projects—not to lobby for them in the strict sense of saying, “This is a good project; please support it”, but lobbying in the sense that they will provide technical information to enable decision-makers to better understand that project. Ultimately, that is lobbying, and it is not being balanced by others who have a different view. Those with different views need to be given the resources to work up technical arguments to support their positions. We will then be in a position to make a decision. This imbalance in our society at the moment is grossly unfair, and it exists in most western democracies, but we have to find a way because the price we will pay if we do not solve this issue is further disillusionment amongst the majority of the population with the political process. That is a huge price to pay. That is why we are starting to see some opinion polls that state that people are not sure about democracy anymore because it is not delivering for them. That is the frightening prospect that we have to deal with. We have to re-engage people; the way to re-engage them is to make sure that they understand and have equal access to the political process and the decision-making process. The rich and the poor need equal access to our system. That is the only way to resolve this problem.

MR C.J. BARNETT (Cottesloe — Premier) [1.42 pm] — in reply: I continue my response on the Integrity (Lobbyists) Bill 2014. Lobbying is part of the political process. The bill endeavours to provide a greater standing to the control and regulation of lobbyists by giving the code of conduct and registration process a statutory basis rather than simply being a code that is operated around government. Lobbyists can do good work. I do not like the term “lobbyist”. In the earlier version of this bill, I tried to use the term “registered advocate to government”. I have to say, even though I promoted that, everyone kept on just using the term “lobbyist”, so I concede that point. Lobbyists are there. People who provide advice to companies, individuals or even environmental groups on how to prepare their cases and present them to government play a functional role. Many people out there who want to get their point of view or commercial interest across and be understood are inexperienced or inadequate in the way they prepare and present cases to government. I recognise that. As a Premier, I rarely, if ever, meet with a lobbyist. I do not know the last time that a lobbyist met with me; it would have been a long time ago. I am aware of people in the community who are lobbyists who I may well come across at social events and the like. I think that many lobbyists now work a bit below the radar. One of the reasons that I do not meet with lobbyists is that I do not particularly like the process, but I think that many people—maybe business people—get lobbyists to advise them on how to present their cases and then not turn up to the meeting. I do not have a difficulty with that.

The bill does a number of things. As I said, it is about trying to strengthen the rules and regulations around lobbyists and providing a greater standard and higher level of integrity of lobbyists. Quite a bit was said about the passage of this legislation. I remind members that we brought in a very similar bill—there were very few changes—in 2012, and it passed through the Legislative Assembly. It lapsed because it did not pass through the Legislative Council by the calling of the 2013 election. To suggest that we are only now dealing with it is simply not true. I also make the point that accusations were made to imply that the bill is not a high priority of this government. Well, yes, for one very good reason; this government has not been compromised by lobbyists as the previous Labor government was. I remind members opposite who want to sanitise history that four ministers in the Gallop–Carpenter government appeared before the Corruption and Crime Commission, and the conduct by lobbyists was at the centre of it. The former Labor Premier Brian Burke, a former Labor minister Julian Grill and other people around who had been former staffers were engaged in it. There is no doubt at all that the previous Labor government was completely compromised. It had a minister leaving cabinet going directly to the lobbyists to brief them on what was discussed in cabinet. Members opposite cannot remove that from history. I will not hark on about it; I have made those speeches before. However, members come in here and try to make all sorts of accusations about this government—can members opposite give me an example? I cannot think of one in which a lobbyist has compromised any minister in my government. Maybe it is a matter of standards and integrity of individual people. Without doubt, members opposite were compromised in government. Why do members think that four ministers were before the Corruption and Crime Commission? It is a matter of fact and history.

Mr P. Papalia interjected.

The ACTING SPEAKER (Mr P. Abetz): Member for Warnbro!

Mr C.J. BARNETT: I will give members the well-documented example of a lobby group coming in and convincing the Gallop government to reverse the passage of an agreement act so that it went through the Legislative Council before it went through the Legislative Assembly, presumably to somehow help that particular proponent get his project. Members opposite had the political and parliamentary process compromised by Labor lobbyists. I take offence at the accusations that members have made today.

Mr P. Papalia interjected.

The ACTING SPEAKER: Member for Warnbro!

Mr C.J. BARNETT: The Labor lobbyists also influenced pre-selections of Labor candidates, so they were working within the Labor Party. I do not know who they even would have been. They were working as former ministers with the government of the day. That is why a code of conduct was put in place for lobbyists under the Labor government—it was because of the conduct of its own government. That has not happened.

Mr P. Papalia interjected.

Mr C.J. BARNETT: I am not talking to the member; he did not take part in the debate.

Mr P. Papalia interjected.

Mr C.J. BARNETT: Mr Acting Speaker, that is —

Mr P. Papalia interjected.

The ACTING SPEAKER: Member for Warnbro, I will have to call you if you do not desist.

Mr C.J. BARNETT: The focus on lobbyists is a direct consequence of what happened under the Labor government; there is no dispute about that at all. It was not just under Alan Carpenter. There seems to be a view out there that Alan Carpenter, as Premier, allowing Norm Marlborough and a few others into cabinet was the start of it. That cannot be true. The occurrence of that lobbying activity happened before Alan Carpenter became Premier. Yes, it became public during his time and it was probably a major factor in bringing him down as Premier, but the activities of Burke and Grill and others did not simply start when Carpenter became Premier. It had clearly been going on previously. If members trace back the history and look at the dates, it is a matter of fact. However, I will move on. As I said, I cannot tell members the last time that I met a lobbyist. It would be a long time ago, and it happens very, very rarely.

As I said, this bill lapsed before the 2013 election and we have brought it back. In fact, some of the changes in the legislation reflect suggestions made by the opposition when it first went through this house, so there has been some improvement to the bill. We have reverted to using the term “lobbyist” because that is what everyone uses. The bill gives a statutory basis for the registration process of lobbyists and the code of conduct, giving greater strength to regulation around lobbyists. I think that is good; it should be in law not simply an arrangement within the public sector. When the Department of the Premier and Cabinet was split into a Premier and Cabinet department and a Public Sector Commission, the policy setting for this was properly placed with the Public Sector Commissioner. I think that is correct, and I think that the Public Sector Commission does a good job.

I will briefly outline again what the bill does. The bill defines what lobbying is. It also defines what lobbying is not. There is some debate about lawyers and the like. However, I think the bill strikes a good balance. The bill makes it clear that people who are paid to lobby government are required to be on the register. Some activities are exempted from that requirement, such as professional advice from engineers or architects, and, similarly, lawyers and accountants, who clearly are providing professional services to their clients and have their own ethical standards. In-house public relations or government affairs departments are also exempt, because we know who those people are working for. They do not come under the definition of “lobbyist”. A lobbyist is a person who hangs up a shingle and says they are for hire. That is a particularly distinct sector. Of course, companies can present their case in their own government relations and their own legal advice and the like. That is not what we are talking about in this bill; we are talking about people who put themselves out for hire to achieve an objective.

The bill includes a one-year cooling-off period for members of Parliament, senior public servants and the like. I think that is appropriate. I do not think a minister or member of Parliament should be able to leave Parliament and the next day turn up as a lobbyist. That also relates to the information aspects.

I thank the opposition for their support for the bill. I did not appreciate all the comments made by members opposite, and I will refer to a few of those comments. The Leader of the Opposition raised the issue of the heads of government departments, directors general and senior officials being banned from being a lobbyist for one year after they leave their government employment, but that does not apply to people who work in government

trading enterprises. That is a fair point and one to which I will give consideration. I will probably favour doing that, certainly for the large GTEs, because those people would have knowledge of contractual arrangements, pending contracts and the like. That can be done not by an amendment to the bill, but by additions to the schedule, and I will certainly consider that in the time between the passage of the bill through this chamber and when it goes to the other house. If a person who works for one of the electricity utilities wants to leave their GTE job and work for a private electricity company as a full-time or part-time employee, that is okay. However, if that person wants to be a lobbyist and be employed on a case-by-case basis, I do not think that is acceptable. Therefore, I am sympathetic to the view put by the Leader of the Opposition and am inclined to support a similar ban for the major GTEs.

The member for Cannington again raised the issue about who should be in and who should be out in terms of being a lobbyist. I accept all that. The member for Girrawheen made similar points. This is not foolproof. If a person is dishonest, or even corrupt, as a lobbyist, or as a public servant or a member of Parliament, they will find ways of getting around this legislation. Hopefully, the police, the Corruption and Crime Commission or the Public Sector Commission will catch them out. This bill cannot prevent dishonest or corrupt conduct. However, it sets the standard, and it gives the Public Sector Commission the ability to enforce that standard by banning people and taking them off the register of lobbyists. Protocols are in place in ministerial offices for dealing with lobbyists and any approaches that they might make. The member for Armadale talked a fair bit about the situation in America, where lobbying is very much part of the political process.

I particularly want to refer to the comments made by the member for Midland with respect to the 500 Club. Yes, the 500 Club is a private organisation, and, yes, it exists for two purposes. Firstly, the 500 Club raises money for the Liberal Party, and it donates that money to the party at the time of both federal and state elections. In terms of state politics, it raises money over a four-year period, and it will generally make that donation to the Liberal Party in the run-up to an election, and similarly at the federal level. The member for Midland made the accusation that companies are “flowing”—that was her word—money to the Liberal Party through the 500 Club. What she was saying and implying is that companies—for example, property developers—are making donations to the 500 Club that are then passed to the Liberal Party in an unaccountable way. That is not the case. That does not happen, and it has not happened; in fact, one of my staff made contact with the 500 Club during this debate to confirm that. The 500 Club raises money in two ways. It raises money through membership fees, which essentially are individual, but I understand there is also some corporate membership. It also raises money by holding events. The 500 Club generally charges a fairly high price for membership and events. It raises a lot of money.

Secondly, the 500 Club is a club at which business people can meet and have discussions and make contacts. It is a bit like a chamber of commerce. That does not particularly affect the political process. The 500 Club does not channel, or “flow”, donations to the Liberal Party. That does not happen. Indeed, the Australian Electoral Commission audits the 500 Club every year, and there has been no occurrence and no evidence of what the member for Midland is accusing the 500 Club of. I think the members of the 500 Club would rightly be very much offended by the approach that the Labor Party has taken.

Several members interjected.

The ACTING SPEAKER: Members!

Mr C.J. BARNETT: I challenge the member for Midland to provide one example of that. I also encourage her, if she can provide that example, to take it to the CCC. She has made a completely false accusation.

Several members interjected.

The ACTING SPEAKER: Members!

Mr R.H. Cook interjected.

The SPEAKER: Member for Kwinana, I am on my feet. While I am on my feet, I expect silence. Thank you.

Mr C.J. BARNETT: I am surprised the member for Kwinana is so offended. I seem to remember that his name came up during the Carpenter government a couple of times—a distant memory.

The comments of the member for Gosnells I think portrayed his approach to development. It is basically an anti-development approach. We have a huge philosophical difference of opinion, and I think that will become increasingly more apparent.

I do not know what members do in their own electorates. We all need to raise funds. There was a lot of talk about disclosure and the like. We have disclosure laws. People might say they should be tighter. I am always open to looking at issues such as that. I do not know what members opposite do. We all receive donations at election campaigns. I have probably the wealthiest electorate of anyone in this chamber. Some very prosperous

Extract from Hansard

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people live in my electorate, and most of them support me. However, I have a rule in my own campaign that I will not accept any donation that is above \$2 000, and that is what I have done in successive campaigns.

Mr P.B. Watson: I would love to get a \$2 000 donation!

Mr C.J. BARNETT: Members opposite get hundreds of thousands of dollars!

Several members interjected.

The ACTING SPEAKER: Members!

Mr C.J. BARNETT: That is my rule. If anyone ever comes to me and wants to make a bigger donation to my campaign, I refuse it. I say, “If you want to make a large donation, that is very good, but go to the Liberal Party, as the unions go to the Labor Party.” That is my standard of integrity. Yes, \$2 000 is a big campaign donation. However, is \$2 000 or \$1 000 going to influence me in what I do as Premier? Absolutely not, and nor would any larger amount. Never in my career in politics have I been influenced by a donation—never, ever—yet members opposite have implied that that is routine. It is not. It does not happen under this government.

Having said all that, I appreciate the support for the bill.

Several members interjected.

Mr C.J. BARNETT: It is funny to hear members opposite giggling. They were members of a government that was absolutely up to its ears in corrupt activity. No minister in this government has been brought before the CCC. The former Labor government had one CCC inquiry after another—four major inquiries—into its conduct.

I conclude. It does not matter how many laws or how many codes of conduct we have, we cannot prevent people from having low standards or from behaving in a dishonest and sometimes corrupt way. That is the difference. I thank members for their support for the bill.

Question put and passed.

Bill read a second time.

Leave denied to proceed forthwith to third reading.

Debate adjourned, on motion by **Mr J.H.D. Day (Leader of the House)**.