

OFFICIAL



Crime and Corruption Commission
QUEENSLAND

Influencing practices in Queensland

Have your say

Call for submissions

June 2022



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Introduction

Influence and access in Queensland

Two factors identified by the public and integrity agencies alike as central to good government are:

- equal access to decision-makers, and
- ensuring decisions are free from undue influence.¹

Access to government decision-makers is crucial for individuals and organisations seeking to influence government policy, legislation, or the awarding of contracts and grants. Research suggests that influence can be sought in many ways, including through political donations, providing gifts or benefits, leveraging political and personal associations, or engaging the services of well-connected individuals such as registered lobbyists.²

The Crime and Corruption Commission (CCC) and other integrity agencies across Australia have repeatedly expressed concerns that these practices can lead to, or increase the risk of, improper influence or partial decision-making, resulting in corrupt practices and an erosion of public confidence in government.

In the lead-up to the Queensland State Government election in 2020, the CCC made public its concerns about the dangers of improper influence. It wrote to all candidates, warning them of the methods that could be used to buy or exert influence over them. It reminded candidates that:

Ultimately, what the community asks of government is that it be fair and trustworthy. Queenslanders want to know that decisions are transparent and merit-based. They want to have confidence that their politicians are not for sale and are prepared to be accountable for their actions. It goes without saying that they believe decisions are meant to be made in the best interests of the Queensland community.³

Since that time, data from allegations made to the CCC, as well as its own investigations and intelligence, is clearly indicating that the corruption risks associated with influencing practices — the means by which people access elected officials and public sector decision-makers in order to effect or encourage a particular outcome — have intensified.

While in many circumstances access to government decision-makers is conducted legitimately and in accordance with existing regulations, corruption risks may still arise. A corruption risk arises when some individuals or entities may have privileged access to decision-makers, and may rely on personal relationships and connections to influence decision-making processes. That is particularly so where those modes of access sit outside the established regulatory framework which is intended to ensure transparency around matters of advocacy and lobbying.

To assist the CCC with its further consideration of this issue we are asking for people to share their views, via public submissions, on a range of topics related to influence, decision-making and transparency in Queensland. Key areas of interest include fairness and equity in government decision-making, and management of conflicts of interest.

¹ Queensland Integrity Commissioner, Crime and Corruption Commission and Independent Commissioner Against Corruption 2021, [Lobbying and the public sector – A report of the Integrity Summit 2021](#).

² Wood D, Griffith K & Chivers C 2018, [Who's in the room? Access and influence in Australian politics](#).

³ CCC 13 October 2020, [CCC Chairperson urges candidates to put integrity first](#).



Recent trends and developments

Increasingly, government is calling on the private sector to design, deliver and implement or collaborate on its services. Private sector organisations actively compete for, and rely on, government contracts as a source of revenue. But such engagement can heighten public sector corruption risks, particularly those associated with conflicts of interest, fraud or a lack of openness relating to procurement resulting in poor value for money, or the misappropriation of public funds.

Assessing the extent to which influencing practices, such as lobbying, impact government decision-making is challenging as these interactions often occur in private and are not necessarily proximal to a government decision. Recent investigations by the CCC have demonstrated that individuals or groups of people may “groom” or develop relationships with key people over a long period of time to position themselves to exert influence over government decisions. While there may be no overt *quid pro quo*, a person who has ingratiated themselves to a decision-maker over a long period of time may benefit from that person’s favourable view of them.

Post-pandemic economic recovery and development

Globally, governments are accelerating their economic recovery efforts post-pandemic and progressing a pipeline of large-scale infrastructure and development projects. In Queensland, the government has already commenced planning and recruitment for the 2032 Olympic and Paralympic Games. As high-profile projects and developments are announced, there will be increasing demand for positions and contracts — which carries a heightened risk of improper influence.

Recent investigations by the CCC and other integrity agencies across Australia have demonstrated how government decision-making can be inappropriately influenced by longstanding political or personal connections, obligations of professional reciprocity and mutual benefit.

Additionally, intelligence collected by the CCC has identified several examples where political donors, clients of lobbyists, or individuals with political or personal associations have received outcomes, such as government contracts, grants, approvals, or subsidies. Transparency on matters of access and influence is crucial in such cases to enable the public to have confidence that such decisions are properly made, free from influence and in the public interest.

Surge in lobbying activity

In 2021 an intelligence investigation was commenced by the CCC to examine and collect information on the practices used by the private sector to access government decision-makers and influence public policy. The project was informed by a review of political donations, lobbying activity, awarded contracts, ministerial diaries, senior government appointments and other relevant sources to highlight associations and practices that may be vulnerable to, or increase the perception of, corruption in government decision-making.

The CCC’s intelligence collection found there has been a substantial increase in recorded lobbying activities in recent years. The onset of the COVID-19 pandemic, and associated economic recovery efforts, appear to have contributed to the recent surge in lobbying activities in Queensland.

Disproportionate access and conflicts of interest

Additionally, the collection found that a small number of key groups and individuals appear to have a disproportionate amount of access to government decision-makers and may be using these relationships to influence government decisions. In some instances, the individuals or groups afforded



access have longstanding and close political or personal connections with the decision-makers or government they are seeking to influence. Further, in some circumstances these individuals have been engaged by a political party or government agency while still involved in influencing practices, such as lobbying.

While a personal association between a lobbyist and elected official is not necessarily an indicator or cause of corruption, it can cause a conflict of interest and increase the risk, or perception, of favouritism or undue influence. A consequence of this can be the development of policy that benefits special interest groups, rather than policy that is in the broader public interest.

Intelligence collected through this project has highlighted several areas that may contribute to, or give rise to a perception of, corruption, and which present opportunities to improve our understanding of the factors that influence government decisions. A full list of topics can be found on page 9 and 10.

Concerns expressed by State employees

Improper influence and lobbying is a topical integrity issue within the Queensland public sector. A survey of public service employees conducted by the CCC in 2021 found that:

- more than half of respondents reported corruption risks associated with lobbying
- 14 per cent reported they have witnessed or suspected someone from the private sector exerting pressure on a public service department employee to benefit themselves or another
- 11 per cent have witnessed or suspected someone from the private sector exerting pressure on an elected official to benefit themselves or another.

Other reviews and inquiries

In addition to work undertaken by the CCC to understand the corruption risks associated with influencing practices, several recent and ongoing external inquiries have considered these issues.

Strategic review of the functions of the Integrity Commissioner

In 2021 the Queensland government appointed an independent reviewer to undertake a five-year review of the functions of the Integrity Commissioner, including lobbying regulation functions.⁴ As part of this review, registered lobbyists were invited to provide submissions and participate in an online survey.

Similar to concerns raised through the CCC's intelligence project and other recent investigations, the review highlighted issues relating to the transparency of lobbyists' meetings with government representatives, the management of conflicts of interest arising from lobbyists working for political parties, unregistered lobbying activities, and the inability of the Integrity Commissioner to compel government or opposition representatives to provide information about their engagements with lobbyists.

The review made 27 recommendations to improve the Integrity Commissioner's functions, several of which relate to strengthening the transparency of lobbying activities and increasing the level of oversight by the Integrity Commissioner of these interactions.⁵

In March 2022 the Queensland Parliament's Economics and Governance Committee held a public hearing to explore the issues and recommendations identified through the review. A small number of written submissions were also received from interested stakeholders, including registered lobbying companies. A key theme raised by registered lobbying companies throughout this review relates to

⁴ The Queensland Integrity Commissioner is responsible for the oversight of lobbying activities in Queensland.

⁵ Yearbury K September 2021, [Strategic Review of the Integrity Commissioner's Functions](#).



the lack of oversight of in-house lobbyists and government relations specialists who are not currently subject to existing lobbying regulations. The CCC's submission to the Economics and Governance Committee's *Inquiry into the report on the strategic review of the functions of the Integrity Commissioner* is available on the Queensland Parliament [website](#).

In June 2022 the Economics and Governance Committee published a report on its *Inquiry into the report on the strategic review of the functions of the Integrity Commissioner*.⁶ The committee noted or indicated support for some of the recommendations made to strengthen or reform lobbying regulation in Queensland. The committee's report will now inform a government response.

Review into culture and accountability in the Queensland public sector (Coaldrake review)

In early 2022 the Queensland Premier and Minister for the Olympics announced that Emeritus Professor Peter Coaldrake AO would conduct a review of culture and accountability in the Queensland public sector following widespread media reporting raising concerns about the integrity and partiality of the sector. An interim report on findings from the review was published in April 2022.⁷

Similar to the work undertaken by the CCC, the interim report commented on the increase in lobbying activities in recent years and highlighted areas of vulnerability within Queensland's regulatory framework. This included the adequacy and transparency of existing disclosure requirements, issues concerning the dual role of lobbyists, the overlap between lobbying and consulting, and direct employment arrangements which may be used to frustrate existing oversight systems. These issues, and potential reforms to the regulatory framework, will be considered in the next phase of his review.

Interstate reviews and investigations

There have been several recent investigations and reviews across Australian jurisdictions related to corruption risks associated with undue influence and access. These investigations have ranged from allegations focusing on partial decision-making to investigations examining the regulation of lobbying, access and influence.

In 2021 the New South Wales Independent Commission Against Corruption (ICAC) published a report into their *Investigation into the regulation of lobbying, access and influence in NSW* which highlighted the corruption risks associated with lobbying and made recommendations to strengthen the regulation and transparency of these activities in New South Wales. The investigation recommended that all professional lobbyists — including third-party lobbyists and in-house lobbyists — be included on the New South Wales Lobbyist Register and be required to record lobbying contacts.⁸

Additionally, in May 2022 the Tasmanian Integrity Commission announced a public consultation process and called for community input into its lobbying oversight system. This consultation aligns with the oversight of lobbying activities transferring from the Department of Premier and Cabinet to the Integrity Commission in July 2022.⁹

⁶ Economics and Governance Committee June 2022, [Inquiry into the report on the strategic review of the functions of the Integrity Commissioner](#).

⁷ Coaldrake P April 2022, [Review of culture and accountability in the Queensland public sector: Interim Report](#).

⁸ Independent Commissioner Against Corruption New South Wales June 2021, [Investigation into the regulation of lobbying, access and influence in NSW](#).

⁹ Integrity Commission Tasmania May 2022, [Have your say: Reforming lobbying oversight in Tasmania](#).



How will the CCC examine this area?

Understanding the risks and the regulatory framework

We will examine the corruption risks associated with influence and access to understand whether existing legislative, regulatory, and reporting mechanisms are adequate in safeguarding and mitigating these risks. This will assist us to better understand how influence and access to government and public sector decision-makers is obtained, the corruption risks that may arise from these interactions, and whether more should be done to strengthen Queensland's integrity regime in respect to these practices.

Unlike typical investigations undertaken by the CCC, this work is not concerned with identifying particular incidents of undue influence or access, or the individuals involved. Rather it seeks to understand and examine the practices that may cause or contribute to corruption risks and pinpoint potential vulnerabilities in existing processes which could enable or facilitate undue or improper influence over government or public sector decision-making.

Auditing records of meetings with lobbyists

The CCC will examine the extent to which contact between lobbyists and government and opposition representatives are being accurately recorded by public authorities. The audit will involve examining the records of a sample of public authorities, including state government departments and local councils, as well as Members of Parliament and ministerial offices.

The audit will also consider the adequacy of public agencies' existing frameworks and their policies and procedures for managing and recording interactions with lobbyists.

The Queensland Integrity Commissioner conducts an annual audit to remind public authorities about their obligations with respect to recording contact by lobbyists and to ensure that contact between public authorities and lobbyists, as entered in contact logs, accurately represents all contact between lobbyists with any public authority. An audit conducted in 2021 identified 103 discrepancies between the records held by public authorities and contacts listed on the Lobbyist Contact Register.¹⁰

The Integrity Commissioner's focus is on ensuring compliance by lobbyists with their disclosure obligations. The CCC's audit will focus on the other side — that is, compliance by public authorities with their recordkeeping requirements.

Consulting with stakeholders

The CCC will also consult with individuals or groups involved in influencing practices to better understand the reason for these practices being used, the specific strategies and tactics employed, and the perceived or actual benefits associated with using them. Individuals or groups that might be approached for consultation include:

- lobbying companies (including former companies)
- lobbying clients (including former clients)
- individuals who are lobbied
- other stakeholders and interest groups.

¹⁰ This audit examined the period 1 December 2019 to 30 November 2020. [Findings from this audit](#) are available on the Queensland Integrity Commissioner's website.



Next steps

Information obtained from the audit, targeted engagement with stakeholders, and responses to this call for public submissions will allow the CCC to proactively assess and identify any activity or associations that may put the public interest at risk, and if further consideration of the issues is warranted. This could include the conduct of a public hearing to explore issues and seek evidence from relevant parties, the use of other powers available to the CCC to examine these issues, or the preparation of a further public report.



Invitation for public submissions

To support its examination of influencing practices, the CCC is inviting public submissions on this topic. The CCC invites your views by way of written feedback in response to this discussion paper.

You are welcome to provide comments on any or all of the key topics identified in this paper, and any other areas that you think are relevant to the aims of the CCC's ongoing examination of these issues. We are particularly keen to hear from people who have had experience in the use of influencing practices and those who have experienced challenges accessing government decision-makers.

Submissions are due by close of business Friday 15 July 2022.

Please refer to the Appendix for more information on how to make a submission and how the CCC will handle the submissions it receives.

Key topic areas

An ongoing review by the CCC has identified a number of key topic areas relating to influence and access in Queensland. Although several issues are highlighted below, they are not an exhaustive summary of all the corruption risks and vulnerabilities that may arise through attempts to seek influence and access.

- **Fairness and equity in access to decision-makers.** The CCC's own intelligence demonstrates that a small number of lobbying companies appear to have a large amount of access to decision-makers. Concerns have been raised that individuals or companies who are not afforded this access may be denied the opportunity to advocate their views.
- **Post-separation arrangements.** Despite there being restrictions on former senior government officials representing third-party clients they had previous dealings with in an official capacity, there is no restriction on lobbyists from the same firm representing a client their colleague has had previous dealings with. Such arrangements risk frustrating the purpose of the restrictions imposed on former officials.
- **Management of conflicts of interest.** Many registered lobbyists in Queensland have recently worked in ministerial staff or political party roles for the same government they are actively lobbying in their new role and maintain close personal associations with elected officials. How lobbyists and elected officials, and/or other senior government representatives, manage conflicts of interest, and the extent to which they cause, or contribute to, undue influence is unclear at present.
- **Consulting and lobbying.** Ongoing monitoring of lobbying activities has identified that some lobbyists and/or lobbying companies are directly engaged by public sector agencies in consulting roles. Some prominent lobbying companies also have consulting arms to specifically undertake this work. The dual role of lobbyist/lobbying company and consultant can carry the risk of undue influence and conflicts of interest. For instance, a registered lobbyist who is engaged as a consultant to a public sector agency may inadvertently advocate the interests of a third-party client represented by their firm, or they may be privy to confidential government information through their consulting role that is beneficial to progressing the interests of a client.
- **Direct employment arrangements.** Information obtained by the CCC suggests that individuals may avoid lobbyist registration requirements by being directly employed by a company for which they are undertaking lobbying activities. In some situations, this may include multiple simultaneous engagements that bear little resemblance to typical employment-like relationships. The concern with this is that there is no, or very limited, transparency of these interactions and such engagements may frustrate the current framework for registration.



- **Types of outcomes being lobbied.** Although the Queensland lobbyist register requires lobbyists to nominate the purpose of their contact with a government representative, the pre-set categories do not provide specific information about the types of outcomes being lobbied for. A greater understanding of the nature of the outcomes being lobbied for will inform an assessment of the corruption risks associated with the influencing activity. For example, the extent to which a policy level change is sought, or if the lobbyist client seeks a direct interest outcome, may impact this assessment. Outcomes involving legislative change and direct interest decisions are subject to statutory processes of objection and have other opportunities for competing views to be presented. Conversely, administrative policy shifts or the lobbying for direct commercial contracts may not have controls that ensure equity and transparency in decision-making until after the decision has been made.

Discussion points for stakeholders and community members

The CCC is exploring the corruption risks that may arise with influencing practices and whether existing legislative, regulatory and reporting mechanisms are adequate in safeguarding and mitigating those risks.

The CCC is interested in hearing from a range of people who have had experience with influencing practices. This includes people who are currently or have previously been registered lobbyists, people who have engaged the services of a registered lobbyist, current and former government representatives who have been lobbied, and representatives of non-government organisations who have an interest in government decision-making.

The following topic areas are provided to help guide your submission. Your submission does not need to address every topic area. Interested parties are encouraged to provide information in response to matters raised in this paper about which they have relevant experience or knowledge.

- The specific strategies or mechanisms used to access government representatives and influence decisions.
- The extent to which lobbying or other mechanisms to gain access or influence are successful, and whether this amounts to improper or undue influence.
- The extent to which individuals or groups are refused or limited access to government representatives without a lobbyist, or a particular lobbyist, or through exerting other influence.
- The types of decisions, outcomes or change that are being sought through the use of influencing practices.
- The amount of influence that close personal or political associations have on government policy or decisions.
- The specific types of benefits received by individuals or companies who obtain access to, or influence over, government and public sector decisions.
- The ways in which individuals or companies, including lobbyists, gain access to decision-makers, and the strategies used to influence government policy.
- The methods being used to circumvent existing regulation or legislation (such as the direct engagement of individuals to undertake lobbying or consulting activities).



Appendix: Making a submission to the CCC

We would like to hear your views and experiences. To make a submission to the CCC:

- Review the “Discussion points for stakeholders and community members” (see page 10).
- Ensure that your submission clearly addresses one or more of these discussion points. If it does not, the CCC may decide not to accept your submission. Your submission does not need to address every discussion point.
- Clearly identify how you would like the CCC to treat your submission, based on the following options:
 - **Public submission** — the CCC may refer to or quote directly from the submission, and name the source of the submission, in relevant publications. Public submissions may be published on the CCC website.
 - **Anonymous submission** — the CCC may refer to or quote directly from the submission in relevant publications but will not identify its source. Anonymous submissions, with all identifying information removed, may be published on the CCC website.
 - **Confidential submission** — the CCC will not quote or refer to the submission in any report or publication. Confidential submissions will not be published on the CCC website.
- If there is no clear selection of one of these options, the CCC will regard your document as a public submission. Note that the CCC will not make public any submission or, where practicable, any part of a submission that:
 - contains allegations of corrupt conduct or police misconduct
 - contains identifying information about a third party (the names of people, businesses or organisations), offensive material (including abusive or threatening behaviour), defamatory material, or links to other websites
 - does not address issues relevant to the review
 - infringes the intellectual property rights of others or promotes commercial interests.
- Send your submission to the CCC by **close of business on Friday 15 July 2022** by one of the following methods.

Email: InfluencingPractices@ccc.qld.gov.au

Post: Influencing Practices
Crime and Corruption Commission
GPO Box 3123
Brisbane Qld 4001
- If you have a query regarding your submission, please email InfluencingPractices@ccc.qld.gov.au and the CCC will contact you.





Crime and Corruption Commission

QUEENSLAND

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