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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC
CHIEF COMMISSIONER

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THE COMMISSIONER: Yes, Dr - - -

MR CHEN: Commissioner, the first witness today is Les Timar. He's in the hearing room now, Commissioner. He'll take an affirmation. Mr Broad has discussed section 38 with him. As I understand it, he does not wish to seek the protection of that provision at this stage at least.

THE COMMISSIONER: Very good. Mr Timar, if you can, good morning, Mr Timar.

10

MR TIMAR: Good morning.

THE COMMISSIONER: If you wouldn't mind just taking a seat there. I understand you'll take an affirmation, is that right?

MR TIMAR: That's correct.

THE COMMISSIONER: If you wouldn't mind, we'll deal with that now then.

THE COMMISSIONER: Thank you, Mr Timar. Can you just state your full name?---My name is Leslie Graham Timar.

Thank you. Mr Timar, just before we commence, I understand the provisions of section 38 have been explained to you, you know what that refers to, and I understand from what Senior Counsel has said that you don't
10 wish to avail yourself of that. But if that is your position, it's always open to you at any point to raise the question of section 38, and I can always make a declaration if you want. Is that in accordance with your wishes?
---That's correct.

Thank you.

MR CHEN: Mr Timar, you are currently the CEO and founding partner of a government relations firm called GRACosway Pty Ltd. Is that right?
---That's correct.

20 And that's a firm established perhaps by a different name in about 1994?
---That's right.

You are also in addition to holding that position the secretary of the Australian Professional Government Relations Association. Is that so?
---That's correct.

30 And that's a national body for government relations practitioners, which would include what is described under the Act as third-party lobbyists as well as in-house lobbyists.---Yes.

Now, that association was established in 2014, was it not?---That's correct.

And are you able to assist firstly, Mr Timar, the Commission in identifying the overall numbers of members in approximate terms?---We would speak for around 100 practitioners nationally.

40 Within the 100 practitioners nationally, are you able to give a rough division between what would be described at least under the Act as third-party lobbyists as opposed to in-house government relations practitioners?---I think the best guidance I could give is that the majority of the members would be within our consulting firms, government relations consulting firms, but there's also in-house members.

And are you able to break down the overall numbers of practitioners that are within New South Wales that your body represents?---I haven't got that information precisely to hand. I would say that perhaps roughly a third or thereabouts would be situated in New South Wales.

And would it be fair to say that the division between third-party lobbyists, as it's defined under the Act, and in-house government relations or consultants would be, again the majority in New South Wales would be in-house government relations?---No, they would be, the majority would be consulting practitioners.

10 I see. Now, I want to see, I understand you want to make an opening statement and I'll come to that in a moment, but I just want to understand whether you can assist the Commission on another topic in terms of rough numbers and advocacy, face-to-face advocacy. Now, Mr Timar, in your submission that you've co-authored for the association, you make a point about the definition is quite important about what is lobbying and what is advocacy and what's the best way to describe it, and that's a summation I think of the position that you want to develop in due course. Is that right? ---Yes.

20 And are you able to say within the, or what is described generally as face-to-face advocacy or lobbying, what percentage of the overall lobbying contacts in New South Wales within government are done by people that perhaps are third-party lobbyists as opposed to others that are not so defined. Are you able to assist at all in that breakdown?---I can only assist by way of observation. My sense of it would be that it may be somewhere around a quarter of those who are government relations professionals, work within consulting firms and then the rest would be described as in-house, so they would be working inside corporations, inside industry groups or inside not-for-profit organisations.

30 You've obviously practised in this area for a considerable number of time. Is that right?---That's correct.

40 And is that roughly about how the feel has been over that time or is it just informed as at today?---The observation I would make, I started doing this work more than 20 years ago, when I started the industry was very, very much in its early phases and a lot has changed in the last 20 years in terms of its size, but also more importantly I think its professionalization. So I would, I would say that the mix 20 or 25 years ago, I suspect most people who were practising government relations then were possibly one or two-person consultancies. It is now very different because government relations is now recognised capability in many large organisations, so a large corporation or a large industry group or not-for-profit may well have an in-house government relations person, and there are also consulting firms who specialise in government relations.

Now, Mr Timar, you co-authored a submission made to the Commission dated 23 May, 2019, did you not?---That's correct.

And, Commissioner, that's Exhibit 2, numbered 7. Mr Timar, that's already in evidence so you can assume that material is before the Commission and has been and will be considered further. There's a couple of points that I'd like just to invite you to comment briefly upon if I can, because I think you will seek to do so. One is that you consider that a better description or a more accurate description of the activities is really government relations professional or consultant, as opposed to lobbyist or lobbying, which is really the activity itself. Is that a point that you seek to make and want to develop now briefly to the Commissioner?---Very happy to do that. I think the point we have made in our submission is that government relations practice is, is about a lot more than simply the very specific activity of advocacy or lobbying, and so what I would say in that regard is that as a government relations professional we see ourselves as being similar in many respects to other professional advisers like lawyers or accountants or management consultants in the sense that where it all starts for us, whether we're working as a consultant or whether we're working in-house for an employer, the starting point is to understand the organisation's business that we're seeking to advise. What is the nature of their business, how does it interact with the public policy-making process and what might that organisation be seeking to achieve in terms of public policy and regulation. That's the starting point, and from there what we're seeking to do is assist that organisation understand the current state of public policy and regulation, and if they are seeking to change public policy or further a, a particular regulatory application, what is the case, what is the best case that they can put forward to government. It's one thing for an organisation to say, well, we will get a benefit from a particular change. That may not be of great interest to government or the, or the public policy-making process. Is there a public benefit? Is there a public interest in what is being sought? How is that case best made? What evidence should be produced in support of that case? Then to understand who the relevant people may be in government to talk to about the particular case that that organisation has and then finally to then go in and advocate or as some call it lobby in relation to a particular, in relation to that particular matter. And then on an ongoing basis to be monitoring and understanding what is going on in public policy, what is going on in government and the parliament that may be relevant to that organisation. So I think to, I know that was a little longwinded but really to wrap that up, government relations is a broader pursuit. Advocacy or lobbying is a part of that.

Well, it's helped because the second issue I was going to take up with you, Mr Timar, was the advocacy component but you've dealt with it. You've prepared a short opening statement, Mr Timar. Would you like to make that now with the Commissioner's permission? It's very short.

THE COMMISSIONER: Yes. So, Mr Timar, are you happy to read that statement out?---Yes, please.

Just searching for a copy of it for the moment. How many pages is it?---Just one.

MR CHEN: It's one page.

THE COMMISSIONER: Oh, I see. All right. Well, you take your time and take us through it.

10 THE WITNESS: Thank you. I appreciate the opportunity to appear today on behalf of the Australian Professional Government Relations Association to assist the Commission with this inquiry into the regulation of lobbying in New South Wales. APGRA is the national peak industry body for professional government relations practitioners. The organisation was established in 2014 by a number of experienced practitioners to represent the interests of both consulting and in-house government relations professionals. Our clear aims are to promote high standards of practice in government relations, complement existing regulatory systems and contribute to a greater understanding of the legitimate and important role of government relations. We see this inquiry as an important opportunity to
20 further this understanding.

It may be of interest to understand what activities a professional government relations practitioner undertakes on a day-to-day basis. Similar to many other professionals our role is to provide analysis and advice to improve our client's or employer's business, much of which doesn't involve direct advocacy or lobbying. I will be happy to elaborate on this point. We believe that the current New South Wales regulatory framework is robust and fit for purpose in achieving its intended objectives.

30 Firstly, it is effective in making transparent the third-party interests represented by government relations consultants. It is also important in imposing basic ethical standards on all those who engage with New South Wales government officials. APGRA has suggested 10 areas in which the existing regulatory system could be enhanced. These relate to standards of conduct, coverage of the scheme, cooling-off periods, and perhaps most importantly of all, education and engagement. We agree that broad access to government is important in an open, democratic society. APGRA's view is that government in Australia is generally accessible to the public,
40 particularly where a well-considered request is put to the appropriate government stakeholder. It is also true that many important government decisions in areas of policy formulation are routinely subject to formal, public consultation processes, sometimes with multiple opportunities for input. APGRA is cautious about proposals that seek to significantly expand the regulatory framework, and believes that the evidentiary burden for these falls on those seeking to make that case.

In our view, the discussion paper prepared for this inquiry is characterised by scant evidence and unsubstantiated assumptions. In our view, achieving

interaction between non-government people and government officials that is honest, constructive, and respectful would be better enhanced through education and engagement, rather than highly prescriptive regulation.

Thank you, and I will be happy to answer your questions.

THE COMMISSIONER: Thank you, Mr Timar.

10 MR CHEN: Mr Timar, what I'll do now is I'll just take you through in some of the matters upon which you've expressed or in the submission that's before the tribunal and some of which you've referred to just in your opening statement now, the first of which is the registration requirements. From your opening statement and indeed the submission you prepared, you were not in favour – and by you, I mean you and your, the body you represent – were not in favour of extending the registration requirements, firstly to in-house lobbyists and the reasoning that you gave is that who they represent is obvious. Is that the sum total of the position you take?---That is the essence of it, yes.

20 And there were some suggestions in the discussion paper for potential registration requirements for particular industries or an ad hoc requirement, I think you've responded to those. But the essence of the response that you had is that you oppose those and there are problems with definitions in working out who you would target and who you would not and why. ---That's correct. Are you happy for me to expand upon that?

Please.---So, I think the starting point that we take is that there was, there was a certain public policy objective in putting the current system in place 10 years ago or thereabouts, in terms of registration. And the public policy
30 objective was where third parties were representing client interest to government, it should be transparent to those in government, and indeed to the public at large, as to what those, what those interests are. So far as we are aware, that system is working. People comply with it. Those who are subject to the regulation take it seriously, and, and go about their business in accordance with, with that system. There have been suggestions made I, I think in the discussion paper for the Commission that there may be a case for there to be those involved with particular industries to have particular regulatory measures attached to them, or that there could be a system based
40 on the frequency of contact that particular government relations people have that could form the basis of a differentiated system of regulation. We really don't understand that, and to just, just take one point, if I may, if the suggestion is being made that those who are only ad hoc participants in advocacy type activity are less of a corruption risk or less of a concern than those who are engaging in the system on a regular basis, we cannot see where the evidence is to support that proposition. In fact, what we would say to that is that those who are government relations professionals, who are engaging with government on a regular basis, those people have the relevant knowledge, they certainly understand their obligations, they understand the

standards of conduct that are expected in engaging with government, and indeed, they have a very strong self interest in behaving properly. Why? Because as a government relations professional, really your primary asset is your credibility and standing, and if you were to behave in a way that undermined that, then you would be doing yourself out of a living.

10 One of the areas that you do advocate a possible need to potentially look forward at regulating was extending the requirement to all third parties, or the registration requirement to all third parties, and I think you gave examples of lawyers, town planners, and I think what you said in your submission were major business service firms. Is that the position?---That, that is right, and look - - -

Could I just ask you just before I move on - - -?---Sorry.

20 That was the position. I just want you to define what you mean if you could, before you develop this further, who you, who are you referring to, the major business service firms?---So the large accounting firms who are now obviously much more substantial than simply accounting and audit firms, they are very general business services firms in many cases. And so the proposition that we're advancing is one that says, we're professionals representing clients and there is engagement with government representatives. There is nothing particularly different in the nature of that engagement with government from what a self-described government relations professional does. So I think the relevant term under the current regulatory framework is incidental contact, and I'm not quite sure what the definition of incidental is, but if there is a professional who doesn't describe themselves as a government relations professional who is indeed engaging on behalf of clients with government representatives, I think we believe
30 there is an argument to be made for those people to be under the same regulatory framework and the same registration requirement as a government relations professional.

Are you familiar with the Victorian Professional Lobbyists' Code of Conduct which seeks to require government affairs directors to provide details of their past service in public life?---I am. I'm aware of that system in Victoria, yes.

40 Do you have any views, Mr Timar, about whether that would serve or aid in transparency would be a useful area to consider potential reforms?---Look, we are supportive of the idea that those who had previously been in a NSW Government or parliamentary role to be registered in a similar way to what exists in Victoria. I don't think the profession would have a concern with that.

I want to ask you some questions about access now, Mr Timar.---Certainly.

You and related professionals would have need to have contact with a range of public officials from very senior ones, ministers, to departmental officers in the ordinary course of your work, would you not?---Yes, that's correct.

10 In terms of arranging access to say a minister, what's the protocol that is followed to gain access to a minister, is it by a letter, by an online platform, what's the position?---In what would be in my experience a relatively unusual situation of seeking to meet with a minister, that would be through the established protocol which is through the online portal or through some correspondence with the office.

When you apply, admittedly the infrequent times that you do, do you provide information as to why you want to see the minister and what the purpose of the meeting is proposed to be if one is granted?---Absolutely, yes.

20 Do you have to identify who it is that would be attending, not only yourself but who would be coming with you?---If indeed somebody like me is to attend, yes, but the protocol would be all those who are to attend would be identified.

Would what is to be discussed be the subject of what is canvassed in your contact with a minister or not?---Yes. So just to be clear, in relation, I'm a consulting government relations practitioner so therefore I fall under the existing regulatory framework. That is an obligation, not a choice. So we must disclose who the client is, the subject matter of the representation and then as you say, we would go on to describe who would attend such a meeting.

30 And those requirements apply whether you're seeing a member of parliament say by further example, or a public official within a government department?---What I would say in relation to members of parliament, currently one of the areas where we believe there is scope for enhancement of the existing regulatory framework is that local government and members of parliament, ordinary members of parliament are not covered. They should be. We think that would be an appropriate additional measure. But to answer your question in terms of going to see a public official, the same rules apply. So we're obliged to outline who our client is, if we're a consulting government relations professional, what we'd like to talk to them
40 about, and of course we would add to that who would attend such a meeting.

One of the concerns, I think, that you may have expressed, Mr Timar, is that it has come to your attention, either personally or by your members, that from time to time ministerial staff do not want registered third-party lobbyists to attend upon any meetings, apparently because they are on the register. Is that the case or not?---As to the reasons why - - -

I'll just ask you to answer the first question. Is that the fact that it has occurred?---It is a fact that it has occurred. As to the reasons why, I would not presume to know in every instance what the rationale for that is.

THE COMMISSIONER: Can I just understand. You're talking now about ministerial staff or are you dealing with the minister or is it one and the same thing?---It would come out in contact with the ministerial office, for those officers where they have a concern.

10 And are you saying there's, as it were, pushback against, by some ministers or their staff, to arranging meetings with a lobbyist. Is that - - -?
---Arranging a meeting with or having contact with and the, the policy, as it is sometimes called, is expressed to be in relation to those who are registered under the government's lobbying code of conduct. And I was just going to add to that, the reason why that is an issue of concern to our organisation and to its consulting practitioner members, it seems more that passing strange to us that the only people who have, who fall within the regulatory framework are the very ones who appear to be the subject of an exclusion.

20 Is this matter you're not addressing widespread or it just tends to be a minority of ministers or their staff who take that approach?---It's not widespread. It, it seems to be only in certain places.

I see. But you haven't had any direct explanation given to you by any of those who keep you at arm's length, as it were?---I have heard the explanation that it is the policy of the minister or the office to deal with principals, in other words with a client organisation itself, rather than with an intermediary such as a registered government relations professional.

30 And has it been explained to you why the differentiation is made or is that for you to infer or - - -?---Not in a way that, certainly not in a way that had left us satisfied with the explanation.

MR CHEN: What is the explanation or what is the suspicion you have as to why? I mean, you're a registered third-party lobbyist, you're bound by the code, you're registered. What's the concern about meeting you?---I'm afraid I don't have a good answer to your question. I guess all I can do is relate to you that that does happen from time to time. It is not a widespread
40 phenomenon but it does happen from time to time and it leaves us scratching our heads a little bit as to why that would be the case.

Is it only one particular minister or is it more than one minister?---It would be a small number.

THE COMMISSIONER: And do they tend to concern portfolios that might be seen to be either politically sensitive or for some other reason lend

themselves to this extra cautious approach?---I don't believe so,
Commissioner.

Well, you draw the inference, do you, that this is extraordinary caution
being exercised by a minister who doesn't want to be seen dealing with
professional lobbyist for a reason, which might be rational or it may not be,
that they think it's better to be over cautious than not? Is that your
construction of it?---Commissioner, it's a, it's, it's difficult to understand
what the rationale is for it, and I, I hasten to add, one thing that we have, we
10 absolutely understand, no government official, at whatever level, has an
obligation to meet with any particular non-government person, whether
they're a government relations professional or anybody else, and that is
certainly not our concern. The concern that our consulting practitioner
members have expressed to us is that given that we are subject to this
regulatory framework, we cannot understand why we would be singled out
for that kind of treatment.

Well, it might be said that provided you're dealing with somebody who is a
20 professional and abides by the code of conduct, who's otherwise regarded as
reputable, that it would impede the democratic process by excluding them
from having access to a minister.---We concur.

MR CHEN: When you have such a meeting, presumably you keep a record
of what occurs at the meeting, do you, Mr Timar?---If, if there is a, a,
contact of substance, certainly as a matter of a professional practice, I would
say our members would keep notes of such a contact, probably that focuses
on the action that might arise from a particular meeting.

The outcome?---Mmm.
30

That's a practice that you would no doubt have yourself, what was
discussed, the meeting outcome, et cetera?---Yes, indeed. If, if there was a
meeting, and there was a, a, there was substance that should be recorded, it
would certainly be a prudent practice to make such notes.

Aside from the issues that you've just spoken about now in your evidence
about problems with accessing particular ministers, are there any other
issues with access that you as a government relations professional have in
accessing ministers? Admittedly, they'll be busy. But aside from that, are
40 there any other concerns that you hold about accessing ministers?---No
concern, and I think our, our attitude would be as a profession, we are
always going to be any, any agreement to a particular meeting or a
particular contact will always be based on the quality of the proposition
we're putting forward, and that's as it should be.

And does the same apply, that is to say, access with MPs generally and
other public officials?---Oh, I, I think it does, and I'm not sure if it's helpful,
but one observation that has been made to us, we've worked with foreign

companies over many, many years, I think generally speaking, the, the view that has been given to us is that Australian government is generally quite open. If you are taking forward a matter that is appropriate, well structured, well put together, and to the appropriate person, by and large, governments in Australia are, are quite accessible, and that's I think a, a hallmark and a source of pride for our system.

Now, you'd be aware, would you not, Mr Timar, that ministerial diaries are the subject of disclosure in the ordinary course of events?---I am.

10

But members of parliament diaries are not disclosed, so far as you're aware? ---So far as I'm aware, that's correct.

And in relation to ministerial diaries, they are only published or made public quarterly and within one month of the end of each quarter, is that your understanding?---That's my understanding.

20

And the position that – I withdraw that. The purpose of the disclosure of diaries is obviously to aid transparency, is it not?---I believe that was the public policy justification made at the time that that change was made.

All right. And your view is that those disclosures via the ministers are sufficient. I think the way you described it in your submission is "fit for purpose and robust" I think. Is that right?---Yes, in relation to the original public policy rationale for that change in process, it would, it would appear to us, I don't look at these things particularly regularly, but if, if it, if it is occurring, then I think the public policy objective is being met.

30

My question actually was going to be do you have reason to actually access the records of the ministers or not?---Personally I don't.

Do you understand what it is they're required to disclose in the ministerial diaries?---Broadly speaking I understand that they disclose non-government people who they engage with, the date upon which that engagement occurs and some brief description of the purpose of that engagement.

40

If, for example, the ministerial diary, say the Minister for Planning, records the purposes of a meeting with a particular individual as discussing planning, that would not be a sufficient explanation you wouldn't think of what should be disclosed if the purpose was being faithfully adhered to. Do you agree?---Well, that, that would depend actually on what the nature of the engagement was. If it was a, and I'm just speculating here. If the nature of that conversation or meeting was broadly on the principles of the planning system, that may be an appropriate description of the purpose. So I think it's a very difficult question to answer in the abstract.

I'll just show you some of these just to assist you further. I'll just show you the Minister for Planning and Public Spaces ministerial disclosure diary for

the period 1 April to 30 June, 2019. I have a hard copy but it's on the screen, Mr Timar, if you like.---Thank you.

You can see that the disclosures made there by this minister really is a description across the board that applies to every single meeting apparently that he's had, at least in the period on the first page, discuss planning issues. Do you see that?---I do see that, yes.

10 You'd accept, would you not, that the idea which must lay behind the Premier's directive was to work out who is meeting who? Do you agree?
---Who is meeting the ministers?

Yes.---Yes.

What they're talking about?---I'm afraid I'm not familiar with the Premier, the Premier's directive you're referring to.

20 I see. All right. Should we understand the submission that you've put in on that footing namely, that the principle is in general terms sufficient but beyond that you don't wish to give evidence or to make any comment about the quality or utility of what is actually produced in diaries such as this?---I think the point that we were making in our submission is, I think the question that might have been asked is the quarterly publication of ministerial diaries occurring and is that appropriate. We, we believe it is appropriate. I could not say to you in, in good faith that I go through these in any, with any sort of regularity.

30 THE COMMISSIONER: So the principle is well understood. You've articulated it in a sense I think, namely as a part of transparency requirement so that there is a record made public of the date, the person or the organisation, purpose of the meeting so that these things are not dealt with entirely secretly and that there's some public disclosure of those particular matters. I mean, that's the principle, isn't it?---I believe that is the case, yes.

40 The application of the principle is another thing, and from what I understand you to say is that you haven't had cause to examine the principle in operation by looking at the diaries to see whether or not they're informative, for example, as to the purpose of the meeting or not. Is that - - -?
---Certainly not with any regularity. I, I think perhaps when the system first commenced I've had a look to see what it looked like but since then I have not, Commissioner.

Thank you.

MR CHEN: What has been raised in the discussion paper, and I think you have responded to, Mr Timar, is the idea that a register or a form of

disclosure such as this require a greater level of detail.---Sorry, could you repeat that as a question please.

Of course. The discussion paper raised and your submission responded to that issue namely, whether or not a register or disclosure of contacts such as this should provide more information. Is that not right?---Do you mean in the sense of a disclosure-type system for lobbyists and government representatives?

10 Yes.---Yes, correct.

And I think the position you took was that you wouldn't support that idea of any extension of the requirement to provide a more detailed disclosure of who is meeting who. Is that the case?---That's correct.

20 And I think the reasons that you gave for that were that you thought that that may – I think the first point you made is you thought that there would be a negative impact on advocacy and potentially lobbying more generally. Is that one of the positions that you took?---The position, the position we took, and I think the primary issue we are seeking to raise with any proposals to extend the regulatory framework or to inject greater prescriptiveness into the framework, is that there is a risk that the quality and openness of interaction between the non-government sector and the government sector might diminish as a result, and I think we're further saying that if there is to be significant change to the regulatory framework, it should be, it should occur on the basis of evidence that supports the need for that kind of significant regulatory change.

30 THE COMMISSIONER: Can I just examine those matters a little. In relation to the first, you say that by adding to the regulatory prescription there is a risk that it may diminish, that is the interaction or the process between government and client or lobbyist may diminish as a result. I think that's a summary of what I'm trying to say you said, but something along those lines?---Along those lines, but, Commissioner - - -

40 When we're talking about risk in that sense, how do we measure that risk, do we regard it, if you have the notional scale, as low risk, medium risk, high risk, and what's the measuring base for determining at what level of risk we are talking about here? In other words, you pose it as a risk, I'm trying to get a handle on, well, what sort of a risk, how do we measure it or how do we assess it?---Yeah, I think it is, I think it is a difficult issue to assess or measure. I think what I would point to is that there are some instances, and we've talked about those already, where there appears to have been some chilling effect as a consequence of a regulated, a regulated system. The point that we are making is that there is a very strong public interest we believe in quality open interaction between the non-government sector and the government sector and vice versa. We think that is additive to our system of government and ultimately to the public interest.

Yes.---And so the caution that we sound, Commissioner, is that where measures are being proposed to substantially expand that regulatory framework, and we do recognise that it's a balancing act here, but that the caution relates to the benefit cost equation and I do accept that those things are potentially difficult to measure, but we do need to, we believe, be very mindful of what those consequences could be, because the potential cost is significant.

10 Sure. Well, again, when you talk about costs it's again difficult to evaluate I imagine as to when you say extra regulation will add to the cost, again I suppose it depends on what the regulation requires et cetera.---Quite, quite, I agree.

Can I just step back from the detail of what we're just discussing there for a moment. It may be said to be a reasonable approach to examining the regulation of lobbying to accept as a working hypothesis that many, if not most, professional lobbyists who have been in this field for some time, built up a reputation which is a good one, that that is important to aid the
20 democratic process between, exchanged between government and private interests and can be for the public interest as well, served by having good interchange between such professional lobbyists and government officials. Moving from that working hypothesis then, you say, picking up on your expression, how does the balancing exercise apply in relation to regulation of lobbying, given that working hypothesis, most lobbyists are diligent, honest, professional but there is a risk that is real risk that not all are of that calibre. I take it that you would embrace the proposition that, to the extent that practical and possible, lobbying should be appropriately transparent and it should be accountable. Do you agree with that as a general proposition?
30 ---I do.

So in terms of the balancing exercise there are four interest groups, aren't there, that have to be taken into account when looking at regulation. One is your client, or the client, the other is the interest of the lobbyist, the third is the interest of government and/or government officials and the fourth is the public interest, or if you like to call it, the community interest. Now, one of the issues raised in much of the literature speaks of the loss of trust and confidence in government and public administration, and whether that's right now not, I think in one of the OECD publications, talking globally, the
40 loss of confidence had been measured at 60 per cent. Now, whether that's right to not, it's a repeated theme in the literature, there has been and is today in our society, here in Australia, in New South Wales and other states, a marked loss of trust and confidence in government and public administration. How true that is and the extent of it can be debated. But it is in the interest, isn't it, when you come to lobbying, to factor in the importance of transparency and accountability in order to shore up, to reinforce and protect trust and confidence in the lobbying field, which does involve government officials dealing with private interests and that's the

objective of a transparent and accountability system. Are you agreeing with me?---I do agree with you. I think the public has got a legitimate expectation that the interchange that happens between non-government and government sectors is done honestly, it's done appropriately, it's done ethically and it is, and it is constructive.

10 So really it may mean that the balance has got to be exercised in a way which, on the one hand, preserves the legitimate field of operation for lobbyist and government interaction, but on the other hand to put a system in place that protects against the unscrupulous, which there will always be, unfortunately, in our society, that could be very damaging to the public interest. So that's important, it seems, to protect against the unscrupulous. And the second general proposition is to reinforce trust and confidence in government and public administration. Would you agree that they are two fundamentals that must be given effect to in whatever the form of regulation may take?---They're important principles, I agree.

20 So one comes, for example, let's go back to where we started, the minister's diaries. The evident purpose of that was to open up interactions so that the concern over secrecy in government, which does go to trust and confidence, is being met by some degree by saying, "We're going to have disclosure." Who met with what minister on what date and about what matter. That is a step in the direction of reinforcing trust and confidence. You would agree? ---I believe that was what was intended in 2014 when that system was introduced, correct.

30 But having a look at that diary that was on the screen a moment ago, how many meetings there are there, there would be over 12, I would think, going through from 3 April to 15 May. And when you look at the diverse groups or people who saw that minister and then you go across to the column to try and ascertain, as an interested member of the public, what those meetings were about, or any one of them, it doesn't require a great deal of insight, does it, to say that that diary disclosure is totally uninformative so far as the purpose of the meetings are concerned. For the man on the street, a hypothetical representative of the community who is interested, looks at that screen, he would say, wouldn't he, the purpose of the meeting, totally uninformative?---Commissioner, what I would say in response to that is, I obviously have no insight in relation to any of these particular meetings, as I said previously to Counsel. That may be a valid description of a meeting if
40 the meeting were to be about, you know, the general principles of the New South Wales planning system.

Yes, I recall your answer.---I have no insight into what these particular meetings relate to, I'm sorry.

But I would prima facie draw the conclusion that it is unlikely that they were all to discuss planning issues, but even if they were, it's totally uninformative about what form of planning you're talking about and what

issues concerning planning the meeting was to be held or was held for, wouldn't it? Totally uninformative, isn't it?---Well, Commissioner, I think it is informative as to who the minister met with - - -

Sure. It's the last column I'm looking at.---Yeah. And when he met with them and perhaps it's possible to infer something about the nature of that meeting from the person who the minister met but I can't say too much more than that.

10 No, I appreciate you have no insight, nor do I, as to what, "Discuss planning issues," means.

MR CHEN: We can show the other pages, Commissioner. There are four pages and - - -

THE COMMISSIONER: Is it? Well, let's go through them.

MR CHEN: - - - you turn to the next page and there's page 2, "Planning issues."

20

THE COMMISSIONER: That's 2 of 4. Where do we go now, back to 1 or 3?

MR CHEN: No, that's 3.

THE COMMISSIONER: Oh, there we go. Yes. 3, every one of them. 4, "Discuss planning issues." Totally uninformative, defeats the purpose of open disclosure, doesn't it, if that description is regarded as, as I've suggested it is, totally uninformative. It defeats the purpose of disclosure, doesn't it?---Commissioner, I don't think it defeats the purpose of disclosure. I hear the point that you are making and - - -

30

Well, it doesn't aid the disclosure.---I think ultimately that is a matter of government administration, I suppose. If, if the view is that the policy that exists is not being appropriately implemented, I guess that is a matter for government to address.

And that's my very point, the point you made then, that plainly the diary system that's operating, at least by this minister, is not being operated it would seem, prima facie, for the purpose for which it was intended, that is disclosure, in the public interest, to support trust and confidence, and that if you're going to have this sort of practice by ministers, then you do need regulation, do you not, to tell them what they must do? That is to say, give some prescription around the phrase, "Purpose of meeting." Would you not agree?---Commissioner, the submission that we are making is not one to say there should be no regulation.

40

No, no. Exactly, I understand the point and I'm not suggesting for a moment your organisation or members of it would not be embracing the disclosure principle that lies behind the document we see on the screen. My point is that as someone who's very experienced in this industry or profession, would you not see scope for some regulatory enhancement by ensuring that if the direction from the Premier to have ministerial diaries is not serving the purpose which it should be serving, then it wouldn't be too far, would it, to suggest that, well then there should be a regulation that binds, not advises, binds ministers, in the public interest, to disclose what was the purpose of the meeting that they sought and had with the minister? ---Commissioner, I think there are two possibilities in relation to the scenario you are talking about. The first of those is that the existing policy is not being followed in the way that was intended, or secondly, that there may be some clarification required.

But clarification is one thing. Requirement in the public interest is another. What would be, what's the downside, what's the argument against folding this disclosure obligation in the public interest into a regulation? What's the downside?---I, I, I can't comment with an authority on the, the status of the Premier's memorandum. I'm, it's just not a document I'm, I'm particularly familiar with.

No, I'm not asking you that, I'm not asking you that. It obviously has no status in law. That's to say, it's not a legal instrument. It's a responsible act by the Premier to give a direction. What I'm saying is, and I'm testing this question of regulatory enhancement in terms of the balance we spoke of earlier, that if ministers may give lip service to a direction, but do not respond in terms of the spirit or the intent behind it, namely to inform the public, then a regulation which is a legal instrument and which is enforceable surely must be the way to go, unless there's some downside that I've missed. And that's why I'm asking you, as very experienced in the industry, to tell me, would there be any downside?---Well, Commissioner, it would depend on the nature of the information that was sought to be disclosed, and I think where we are, where we are coming from in relation to the caution that we counsel in terms of a substantial expansion of the regulatory framework, if that were to bring into question the confidentiality of issues that organisations bring forward that relate to, they might be commercial-in-confidence matters, they might be market-sensitive matters, they might be sensitive from a, a competitive point of view. So, I think that the, the caution we would express in relation to the sort of disclosure issues you're referring to would be around precisely what would be required. And the concern that we have about, I guess what, what you might classify as a "pro forma approach", is that it may make it difficult for that kind of appropriate confidentiality to be preserved in the engagement between a non-government party and in this case a government minister.

Issues of confidentiality are dealt with by the conventional mode, aren't they? That is, you create an exception by ensuring that any material that is

truly in confidence or commercial-in-confidence material is protected. I'm not talking about exposing everything. I'm talking about a limited disclosure, namely a regulation said something like this, "In relation to ministerial meetings, the responsible minister is required to specify the following," and that would include the specific purpose for which the meeting was sought, and for which, and which was discussed, something of that kind. Now, allowing for in-confidence matters, which I suggest could be dealt with, would be dealt with in the conventional way, what would be the downside of that? Because it then would specify in detail the legal obligation of the public official, the minister.---The potential downside could be one around who would, who would assess, who would make the judgement as to whether something was in confidence or not. If that, if that is a public official, I would suggest to you that the non-government party might find that not a particularly comfortable scenario. But if the non-government party were in a position to say, "This material is confidential, we would not want this going to the public domain," then that may be a better solution.

Well, let me test the principle that I'm trying to deal with one more time. Let's assume there was no commercial-in-confidence material at all discussed at the meeting, nor intended to be discussed. What's the answer to my question to you a moment ago, would there be any downside in having a legal instrument binding ministers in the public interest to disclose what was the meeting about in terms of its purpose?---None that I can think of.

No.

MR CHEN: The position that you took on behalf of the association was to the extent there's any reform, the reform should not be on a person such as yourself, but on the public official. Is that right?---I don't think that's the case.

THE COMMISSIONER: I think you put it, as I recall, that the primary obligation should be on the public official. Is that right?---To do what, sorry?

MR CHEN: In terms of any disclosure that is required, that the obligation should be upon the public official rather than - - -?---I think, I think the position we put forward was that the current system and the obligations that are currently in place, and those obligations fall on consulting practitioners, as you know, that that system is the system that we believe is the appropriate system.

Well, let me just ask you the question independently of your submission then. You're following through the thrust of what the Commissioner has asked you questions about. If there is a reform that deals with a register and material such as that which has been discussed between you and the

Commissioner is required to be disclosed upon it, the position that you would take it that that should be upon the public official or upon the, I'll just use the word lobbyist. Which, which of those two scenarios, Mr Timar?
---Well, accepting our starting point, I think either is possible. So I'm sure the Commission is aware that there is a system of disclosure in Queensland. It's a partial system in the sense that that system only relates to registered government relations consultants rather than to non-government people engaging with government more broadly, but that is a system obviously where there are obligations on government relations professionals, so either is, either is a possibility.

And certainly in the way in which you conduct your practice and the way in which you understand the good practice of government relations professionals operates, the information that would be required to be upon a register, what was discussed, who attended, where the meeting was held and outcomes, are all matters that you create in the ordinary course of advocacy. Is that not right?---They, they would normally be what we would create as notes arising out of meetings, yes.

20 Commissioner, I will tender that document that was before the witness, the disclosure summary for the Minister for Planning and Public Spaces for the period 1 April, 2019 to 30 June, 2019.

THE COMMISSIONER: Yes, very well. That will become Exhibit 19.

**#EXH-019 – DISCLOSURE SUMMARY - MINISTER FOR
PLANNING AND PUBLIC SPACES FOR THE PERIOD 1 APRIL
2020 TO 30 JUNE 2019**

30

MR CHEN: Thank you.

THE COMMISSIONER: Just before we press on, and I know we're limited on time, can you just give me an idea, if you took a notional 12-month period, what are the range of matters that you or your association would engage in so far as lobbying is concerned? I have in mind legislation or proposed legislation, policy, it might involve government decisions about procurement or contracting or whatever else. Are you able to give me a
40 cross-section of the sort of lobbying matters that you or your association regularly or at least from time to time engage in?---I think the sort of work that our members would do, you've actually just - - -

Or your members I'm sorry, yes?---You have just very well described. It could relate to all of those issues. If you were working as a government relations professional in-house at a particular company, obviously it would relate to issues of concern to that company. They might be legislative, they might be regulatory applications in nature, they might be procurement-

related, they might be general policy formulation, but you know, you have described I think pretty well the spread of issues that government relations professionals would usually be engaged in.

If time permits we might go back and look at some of those areas.

MR CHEN: I just want to move to an area, a new topic, Mr Timar, briefly if I can. You're familiar with the cooling-off period that applies to ministers and parliamentary secretaries in New South Wales, are you not?---I am.

10

And in the submission that you filed with the Commission you supported the view that consistent with the federal level that there should be an extension for those at a comparable level to adviser, that is to say, public officials also having a cooler off period. Is that not so?---That's correct and that would also be consistent with the APGRA code of conduct.

And the time that you advocate is comparable to that in the Federal Lobbying Code of Conduct namely, 12 months. Is that so?---Yes.

20

One of the things that you refer to in your submission is the policing or enforcement of any cooling-off period could be via statutory declaration on the register. Do you remember your submission dealing with that topic? ---Yes.

Could you just identify how that might apply in the case of an in-house lobbyist?---Under the current regulatory framework it would not.

30

No. So when the submission refers to a statutory declaration on the register attesting that there had been compliance, that's only referring to those that are third-party lobbyists as defined?---That's correct.

How would you foresee then that there could be any form of enforcement for those outside of registered third-party lobbyists, that is to say, enforcing the cooling-off period?---The way that could occur is by reason or by dint of a government official reporting to the Electoral Commission that they have been the recipient of representations from someone who doesn't meet that threshold.

40

I see. So on the lobbied as it were?---Quite.

Do you have any suggestions or views about how it could be enforced from the other end, namely through the individual that is the subject of the cooling-off period or not?---Well, I think the way I've just described to you would be under the current regulatory framework the only way you could do it, but one thing I would hasten to add is that we believe there is a, a great deal more that could be done in terms of education and engagement between the non-government and government sectors to raise the level of understanding on both sides as to what the expectations are in terms of

appropriate advocacy and what, what the rules for properly engaging with government officials are. So we think that could be a very important addition and assistance to the objective that you are talking about.

Commissioner, that's the evidence for this witness.

THE COMMISSIONER: Sorry?

MR CHEN: That's the evidence for this witness.

10

THE COMMISSIONER: Yes, very well. Perhaps if I just come back then. So with meetings between either ministers or senior departmental officers, are you able to give me some idea as to how meetings proceed, who is in the room, what process for recording takes place, whether that's usually followed up by a series of meetings or how does the process go forward? Now, I know it depends upon which area we discussed earlier you're dealing with. It might be proposed legislation policy or any one of the other areas, but are you able to assist me in an overview fashion?---I can try. So with any particular outreach to government whether it's a consulting situation where there is a client involved or where there's an in-house government relations person providing advice to the CEO or a senior executive of that organisation, it'll be a matter for the client or the CEO to decide do they want a government relations professional to be a part of that meeting. Sometimes the answer is yes and sometimes the answer is no. So as a consulting practitioner I will obviously follow the preferences of my client in that regard. Assuming that a government relations professional is part of that discussion with either a client or a senior executive from the organisation that they represent, normally there would be, at the start of a meeting, an overview as to what the meeting is about. So the person who's requested a meeting would say, "This is what we would like to talk about," and then those relevant themes would be developed and then prior to the meeting closing one would hope the threads would be drawn together and there would be some kind of agreement as to what, if anything, should happen next. And then normally after the meeting there might be a, a note sent just to say, "Thanks very much for meeting with us," and potentially to recap on whatever might have been agreed would be the action arising from that meeting. The action arising could be the provision of additional information, it could be an agreement to meet again at some point in the future or there mightn't be action arising from the meeting.

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So if you're meeting with, one of your members meets with a minister, for example, or a head of department, is the meeting recorded in any fashion? You've spoken about notetaking by the lobbyist or the advocate, but is it recorded in any other fashion, the meeting?---Commissioner, do you mean by the government - - -

Yes, yes.---I really couldn't say that I have got a definitive view of that. I, I would have thought in many cases there are some notes taken.

Well, then the minister would have somebody else in the room with him or her?---Indeed.

From the department perhaps or - - -?---From the department and/or from his or her staff.

10 Very good. Let's take a case of new policy or policy change. In matters of that kind, the client maybe wants the policy or change because it would otherwise interfere with what the client wants to do in some form of commercial venture, you would have experience of such matters?---Indeed. Clients could seek to support, oppose or modify a particular policy proposal, that's right.

20 The policy matters sometimes, perhaps more likely than a contract matter, can involve relevance or consequences if implemented to a section of society, it might be a local group or it might be local owners of property or something else, how does the process go forward which had regard not only to the interests of the client but the other interests such as I have mentioned? How is that brought into play, if it is at all?---Commissioner, what I would say is that for most matters of significant policy change, there are structured processes that governments follow to ensure there is public input, and in my observation over the last 20 plus years, governments have been getting better at that and technology has also enabled that to be more so today than might have been the case 10 or 20 years ago. So there tends to be a structured process of public consultation and stakeholder consultation where there are significant public policy changes proposed.

30 That's certainly the case from what I heard in planning matters, for example, in the mining industry. There are protocols, procedures prescribed, as I understand it, by legislation, whereby there is consultation and notification given to potentially affected persons, but they're in specialised areas. I'm talking more generally. Is there anything that you're aware of that departments of government, for example, utilise by way of established process whereby a matter of public policy, or it might involve change of public policy, that a methodology exists whereby potentially affected persons can be notified so that their input is received?---Very much so. So my previous - - -

40 Can you give me some examples?---Sure. So my previous remarks were not about particular planning decisions or suchlike. It was much more about what I understand your question to be, about public policy changes. So if there is a change that is proposed, say it might be a change to legislation. Often there will be legislation that is put on for public consultation by the relevant department and submissions will be sought from the world at large and from directly affected stakeholders. As I mentioned to you, I think governments and government agencies are a lot better at doing this today than they were 10 or 20 years ago, and I think that is an established practice.

How do we establish the extent of that practice, is there any way of tracking which departments are geared up to ensuring that they do have these protocols or processes?---I have not made a study of it but I think it would be a relatively straightforward thing to ask the key agencies of government as to what their practices are.

10 Now, what about decision-making that doesn't require legislation, decision-making that can affect policy change, what procedures are in place to take on board whether there are other interests that might be affected by the decision, do you know?---I'm not – would you be able to describe in a little bit more detail what kind of scenario you're talking about?

Well, I'm talking about there may be discretionary powers that are vested in a minister or another authority, government authority, but it doesn't require legislation to bring it into effect. Are there any recognised protocols or procedures whereby for example a scan is done to say, well, if this change that the lobbyist has addressed us on is made, firstly what are the potential interested parties, secondly, this is the process once they've been identified.
20 Is there anything like that, do you know?---Commissioner, that does sound more to me like the major project planning approval process, for example where there is very structured consultation and a lot of effort is gone to by relevant government agencies to obtain that feedback from the public, from affected stakeholders, so I think - - -

Sorry, what area, what area?---The major project planning assessment process. It is, you know, it is a very structured process of - - -

30 You're talking about what, commercial development applications, that sort of thing?---Indeed, indeed, yes.

Leaving to one side the highly-structured planning area, are there protocols such as I've mentioned in other areas of government that you're aware of? ---I believe there are, Commissioner. One example that occurs to me is say a liquor licensing decision. I believe that when those kinds of decisions are made it relates to a particular location and views will be solicited by the relevant agency to ascertain what relevant stakeholders think about that.

40 So without going into too much detail, is this right. There are some agencies which do have these protocols but we can't say how many do and how many don't?---Commissioner, I certainly can't.

No. All right. Does a client in your experience who engaged in lobbying activity have any requirement to assess adverse impacts, not only beneficial impacts, but adverse impacts on potentially interested parties?---A requirement in a general sense, no, but I think a prudent client would anticipate what those broader impacts might be and seek to mitigate them.

Thank you. Now, so far as the conduct of meetings in relation to lobbying activities, I take it, but correct me if I'm wrong about this, that you in general terms accept that there should be processes that meet transparency requirements, that is to say, that meetings conducted for example with a minister of the Crown, I'm talking about in general, should not be secretive. Do you agree with that as a general proposition?---I think, subject to confidentiality issues, I think that principle - - -

10 Yes, subject to confidentiality, there should be transparency of, I'm putting, in lobbying activities, unless of course there is some proper confidentiality basis for keeping it secret. Is that right? As a general proposition, I mean. ---As a general proposition.

And transparency in that regard could be served by ensuring that there is a record made in relation to the processes by which a decision was arrived at. That's the first area. And the second area, transparency recorded, by a recording of the bases or foundations for a decision made by a minister, where it would apply to a senior departmental officer too. Would you agree with that?---That there should be a rationale for the decision, I do.

20

There should be a record, I'm putting, as to what the process entailed, from more or less start to finish of the lobbying process, so that from the first representations or proposals to the outcome being decided by a minister or a senior departmental officer, there should be a record kept which will inform, if ever there's a question raised, as to what process was followed, perhaps what advice was received, and the basis upon which the decision was reached, having regard to underpinning factors.---That sounds like a reasonable public administration process, yes.

30 Right. Does that occur now, in New South Wales, to your knowledge, in terms of governmental processes?---I, I'm afraid I, I - - -

You don't know.--- - - - I don't have a view as to what the internal workings of government, for the specific question that you're asking.

40 Right. I earlier referred to the fact that in the lobbying area, there's really four interest groups. There's the client, there's the lobbyist, there's the government or government officials, and then there's the public or community interest. If those who engage in lobbying don't know what government processes are utilised in terms of transparency, should they not know?---Could I please ask you to repeat that?

Yes. In terms of, if you like, the requirements of public office holders to act transparently, and to be able to be subject to accountability, as in general terms they are, they'll need to adopt certain processes to ensure that there is indeed transparency and that there will be a basis for accountability if called to account, and that's usually by record keeping, contemporaneous record keeping. Should not lobbyists be educated into knowing exactly what

protocols and processes bind public officials in dealing with them, if they don't already know?---I, I think, I think the answer is absolutely yes, and to the point, Commissioner, that we have made about what we think is a real opportunity for better engagement and education of both those who, from the non-government side, make the representations and those on the government side who receive them, we think that there is a real opportunity there.

10 Well, has government to date undertaken that exercise to ensure that so far as, for example, meetings with ministers of the Crown are concerned, these are the obligations on public officers, in terms of processes associated with transparency and accountability? Have they done that to date?
---Commissioner, I am not aware of any, any particular actions that government may or may not have taken with respect to its public officials.

All right. But you can see merit in one side talking to the other so that they both understand their respective obligations?---Quite. Quite.

20 Just one other matter. In relation to the legislation and the question of whether it needs to be enhanced in any way, do we have this on the screen or can we get it on the screen, the Lobbying of Government Officials Act? Anyway, while it's coming, I take it you're reasonably familiar with the provisions of the - - -?---I am.

I'll just remind you of a couple.---Thank you.

30 And it's to deal with meetings, and transparency. Just to remind you, while it's coming, 2A Objects of the Act, provides, it says, "The objects of this Act are to promote transparency, integrity and honesty by," and then there's subparagraphs and it says, the first one, "Ensuring the lobbyist complies with ethical standards of conduct," and so on. And then it goes to – so at 2A I was reading from. Then if we can go to section 6(1), provides that "The lobbyists code is to set out the ethical standards of conduct to be observed by lobbyists in connection with the lobbying of government officials in order to promote transparency, integrity and honesty." Subsection 2, "The lobbyists code may" – it doesn't say must – "may provide for any matter relating to lobbying or lobbyists including the procedures for meetings or other contact with government officials." Now, if we go forward then to the code. If we can bring that up, the regulation, the lobbying of government
40 officials, Lobbyists Code of Conduct. Thank you. Clause 2, Purpose of Codes, specifies, "This code sets out the ethical standards of conduct and other requirements to be observed by lobbyists," et cetera, and that goes on to say "in order to promote transparency, integrity and honesty". Clause 5 talks about "disclosure of the nature of the matter to be discussed". 6, "any financial or other interests". 7, "not to engage in misleading, corrupt, et cetera conduct". And then 8, "lobbyist to provide true and accurate information". Now, then it goes on. Part 3 deals with third-party lobbyists, additional standards and requirements. I'm sure you're familiar with the

provisions there of 9 through to 10 deals with lobbyists to disclose if they are third-party lobbyists and identify their clients and so on.---Yes.

And so on. There's nothing in the code that I can see that goes back to the matter referred to in section 6 which, 6(2) which says that the lobbyists code may provide for any matter relating to lobbyists lobbying or lobbyists including the procedures for meetings. So unless you're aware of something I'm not, it doesn't seem that the code addresses the procedures for meetings or other contact with government officials. Is that right?---The only thing I can think of in that respect, Commissioner, is there are protocols to be undertaken in setting up that meeting if you are third-party government relations consultant.

These are protocols for your members, though.---Quite.

Is that right?---Yes. For our consulting members.

I understand that from your earlier evidence that there are protocols which your members generally speaking abide by.---They abide by them.

That the lobbying code itself doesn't prescribe any procedures for meetings, either from the lobbyist's point of view or the government's point of view. ---For what occurs during a meeting. I agree with you, yes.

But I think we've discussed earlier the importance of having procedures for transparency purposes and accountability purposes in meetings, in respect of meetings between lobbyists or their clients and government, governmental officials.---We have.

We have. And does it not seem then that so far as the legislation that is entitled Lobbying of Government Officials Act 2011, there's nothing in it which addresses anything about the transparency of either public officials, government itself or lobbyists so far as the conduct of lobbying meetings are concerned?---Well, except to say for - - -

And if you – sorry, I'll just finish. And if I'm right in that my question is surely should there not be some provisions legislated to ensure that proper practice is adopted both by public officials and government and lobbyists who interact with them?---Well, I would respond to that in saying that under the current regulatory framework there certainly are standards that are set out between the legislation and the code that talk about the basis upon which a meeting will be initiated and there are also standards that apply to all those who engage with government that are to be observed. In terms of record keeping requirements I agree with you.

But lobbying itself is not a one-party exercise, it takes two to tango, as they say. Here we've got at least two who have to interact with each other, maybe more. But maybe at some stage of the interest the community

interest gets a voice too, but insofar as we are talking about is there a requirement to enhance – in the public interest, to restore trust and confidence – a statutory requirement that does prescribe transparency procedures to be adhered to and whether the primary responsibility for that falls on the government officials or the lobbyist is an ancillary matter that would obviously need to be addressed?---Well, clearly from the legislation you're reading from, is there an opportunity to do that? There is. You made the comment that that may be necessary to restore confidence. I think that could be a subject we could talk about further because I am not sure I
10 necessarily agree with that.

But what you would agree with, wouldn't you, is that when you read through the literature on the subject of lobbying, there is frequent reference to the fact that there is concern in the community about lobbying practices that are secretive, that are not subject to transparency requirements?
---Commissioner, I think there is quite a bit of literature, as you point out in your comment. How much of that literature is particularly well informed, I am not so sure.

20 But you would accept, wouldn't you, without qualification, based upon our earlier discussion, that it is absolutely essential to have transparency and accountability measures in place with lobbying activity? Firstly, because it then can satisfy community standards that there has not been undue influence, corrupt conduct, but that it has been dealt with professionally, transparently and accountably?---I certainly that transparency and accountability measures are important, yes.

And you understand that that's all directed towards engendering in the community a higher level of trust in lobbyists, in government officials?---Of
30 course.

And there wouldn't be any argument against, would there, the need to, and action taken, to enhance the regulation of lobbying activity in the interests of lobbyists, in the interests of the community, in the interests of government, to have prescribed transparency and accountability measures around lobbying activities, making due provision for matters such as confidentially as earlier discussed, and suchlike matters?---Commissioner, as a matter of principle, the answer of course is yes. The devil is in the
40 detail.

I'm just putting this to you because, as I understood it, your organisation was taking the view that the present regulatory system is fit for purpose?
---Yes.

I'm putting to you an analysis, not just from the lobbyist point of view but from the government and the community point of view, that there is still work to be done. Do you want to say anything in response to that? That's a proposition not a question.---Commissioner, the only thing I would like to

say in response to that is that we have identified, in our submission, 10 areas where we think there are opportunities for enhancement, and so our submission is not that everything's okay as it is and things never change. We have put forward set of proposals for consideration and we think they're substantial.

Thank you, Mr Timar. Is there anything else?

MR CHEN: No, there's not, Commissioner.

10

THE COMMISSIONER: Mr Timar, I'd like to thank you and your organisation for contributing to this public inquiry. There will be a further segment of this public inquiry. We anticipate it'll be in February next year, possibly about mid-February. The purpose is two-fold. Firstly, this is not an issue to be undertaken in haste and should be informed by people such as yourself and others who participate in the lobbying profession and secondly, if there is a need for government and for government officials to be heard, as well, on issues such as the ones we've been here discussing. So to ensure that that can all be done in a measured and under proper consideration, I have determined that we should have a third segment which will, as I say, be programmed, I think at the moment, as things stand, for February, and I just advise you of that just so that you can be informed as to the ongoing program.---Thank you, Commissioner.

20

Nothing else?

MR CHEN: Nothing further, no, Commissioner.

THE COMMISSIONER: Then I'll adjourn and we have another witness when we resume?

30

MR CHEN: We do, Commissioner, yes.

THE COMMISSIONER: Good, Thank you.---Thank you.

THE WITNESS EXCUSED

[11.35am]

40

SHORT ADJOURNMENT

[11.35am]

THE COMMISSIONER: Yes, Dr Chen.

MR CHEN: Commissioner, the next witness is Joanna Quilty who's in the hearing room.

THE COMMISSIONER: Yes.

MR CHEN: As I understand it, she'll take an affirmation.

10 THE COMMISSIONER: Right. Thank you, Ms Quilty, if you wouldn't mind - - -

MR CHEN: Ms Quilty is generally aware of the provisions of section 38, Commissioner, and as I understand it does not wish to avail herself of any order under that section.

THE COMMISSIONER: Thank you. Do you take an oath or an affirmation?

20 MS QUILTY: Affirmation, thank you.

THE COMMISSIONER: Thank you. If you wouldn't mind standing and my associate with administer that.

THE COMMISSIONER: Thank you. Just take a seat. Yes.

MR CHEN: You are Joanna Quilty?---That's right.

And you are currently the CEO of the NSW Council of Social Services, otherwise known as NCOSS?---Correct.

10

Ms Quilty, you were the author of a detailed submission to the Commission dated May of 2019, were you not?---I was.

And, Commissioner, that's Exhibit 2, submission number 24.

THE COMMISSIONER: Yes, thank you, I have it.

MR CHEN: Now, Ms Quilty, NCOSS is a peak body for the community sector, is it not?---That's correct.

20

And it was established about 80 years ago?---That's correct, in about 1936, so slightly over 80 years ago.

And the central role of it involves advocacy and input on behalf of its members into public policy and decision-making. Is that a general description that's accurate?---Yes. We advocate for a New South Wales that is free from poverty and disadvantage and for a community sector that is strong and sustainable to achieve that end.

30

Is NCOSS made up of approximately 580 or so members?---Look, we have actually tidied up our database in preparation for the annual report and I think it's safer to say we're at about 480 members at the moment.

And what's the general makeup in terms of individuals or bodies or organisations?---The majority of those members would be organisations and they would range from large non-government organisations such as Mission Australia, the Salvation Army, Benevolent Society, through to very small organisations such as neighbourhood centres, family support services, community transport providers, and they're located right across New South
40 Wales in metropolitan and in regional areas.

And they are all in what you would describe as the community sector, is that right?---That's right. They are all in the community sector.

Now, in terms of governance for NCOSS, aside from you there's a board of directors, is there not?---That's right. There's 11 members of the board at the moment.

And NCOSS is not for profit, and also a charity. Is that so?---That's correct.

And the objects are more fully set out in the constitution of NCOSS, is it not?---That's correct.

And in fact, the section 3 provides or stipulates that you're established as a charity to "advance social or public welfare and other purposes beneficial to the general public."---That's right, and it prescribes the sorts of activities we undertake to achieve that end.

10

It does, and it also says and provides, by clause 3.2, that you must pursue the charitable purposes only, and apply your income in promoting the purposes. Is that so?---Absolutely.

Commissioner, I tender – all right. Commissioner, I tender a constitution of the Council of Social Services, Service of New South Wales. Perhaps I can just show the witness first, just to acknowledge that that's the relevant constitution.---Correct.

20 THE COMMISSIONER: Yes, thank you. Very well. The Constitution of the Council of Social Service for New South Wales will be admitted and become Exhibit 20.

#EXH-020 – CONSTITUTION OF COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES

30 MR CHEN: I just want to ask you some questions about funding if I can. Ms Quilty, do you receive funding from memberships and members? Is that how it works?---We do. We receive membership fees that are based on a sliding scale depending on the size of the organisation.

Do you also receive donations from time to time?---We certainly would love to receive donations, and I think we occasionally do, but you would have to say it's not one of our main sources of funding.

40 And is the main source of funding government funding?---About two-thirds of our funding comes via government grants, and that would be through the Department of Communities and Justice, and also through the Department of Health. That, that is our core funding. From time to time we would also receive project funds that might come from other departments that are more short term in nature.

THE COMMISSIONER: So that two-thirds revenue comes from the state, does it?---That's right.

Thank you.

MR CHEN: And on top of that, there are project-specific grants from time to time?---There are. So that can mean we get more than two-thirds of our funding from the state.

Does the government funding vary from year to year?---We've had a three-year contract in place which provided us with the same funding each year.

10 And prior to the expiration of the three-year funding agreement, do you have to then resubmit a proposal for funding for a further period such as that?---That remains to be seen. I suspect so. There is a review of the program that funds various peak bodies in New South Wales underway at the moment, and I think out of that, that'll determine what happens post-expiry of current contracts. But I would expect that they will reissue them with particular requirements in relation to that.

The funding or, well, the government funding you receive and funding more generally is all in your annual reports, is that so?---That's right.

20 And are you able to tell the Commissioner what the three-year funding grant from the government currently is?---How much it is?

Yes.---I think from memory, from the Department of Communities and Justice we receive about 1.2 – no, I think it's about, it's now about 750,000, and from the Department of Health, it's about 300,000.

Is that per year or over the cycle of the three-year agreement?---That's per year.

30 I see. And otherwise, is the funding, the one-third made up of membership contributions, is that how it works?---Certainly membership contributions, we have a, a number of other revenue streams. So we run a jobs board, where our members pay to advertise jobs in the community sector, and we raise some income through that, and we also have a, a number of other small similar business initiatives that provide us with income.

40 The Commission has received submissions from a number of bodies which might be described as within the community sector, and some of them, as you'd expect, receive funding from government grants. The views, or some views have been expressed that there are concerns, I think the description is "self-silencing", and there's a fear of speaking out, because their funding is tied to government grants. Do you have any experience of that, and would you like to say something about that?---Certainly. I think for a lot of smaller organisations they are generally entirely dependent on government grants and they can be operating in a very uncertain funding environment. For instance, just last week specialist homelessness services, who were hopeful that when their contracts expire next year, in the middle of next year, that they would be issued with five-year contracts, which is happening

for some other programs. However, what they've found out is that their contracts are going to be extended for another year. So that in itself creates a lot of uncertainty about what happens after that year and I think it does serve to inhibit organisations in terms of being outspoken about the kinds of issues that they're seeing in the community, particularly when we're talking about increasing homelessness, it being a Premier's priority, and there needing to be some clear action taken to address the issue.

10 Could I just ask you some questions now which are directed perhaps to, I'll describe it as lobbying within the community sector. Ultimately the objective of your organisation is to persuade government to adopt a certain policy, is that so, or change of policy?---We would say that we are keen to see a fairer more inclusive New South Wales and that we advocate to that end and that we also want a diversity of voices to be represented in the public policy and decision-making process and including the voices of those who are least likely to be heard.

20 And part of the advocacy or work that our organisation would do would be to persuade government where to steer the resources of government. Is that fair?---Yeah. We do that through a number of different ways. We undertake research and produce reports that highlight issues of concern, provide evidence, suggest solutions. We participate in committees and on working groups with government officials to try and work with them to come up with solutions and we do try and influence the public debate and raise community awareness about the issues that we think need to be addressed.

30 Your organisation is also consulted regularly, is it not, from time to time by government or government departments seeking views, submissions and matters of that kind. Is that right?---Yes, yes, that is true, and I think sometimes it works for them to consult with NCOSS rather than having to go and talk to our individual members. It can be a more efficient way of seeking the views of the community sector.

40 When you are seeking funding for your organisation, you are in effect competing for the same pool of resources for other community groups within that sector, are you not?---We do operate in a very resource constrained environment and there has been increased competition over the years particularly with the introduction of competitive tendering.

In your submission that the Commission has received you make a point about differentiating between lobbying and advocacy that is undertaken by a body such as yours not-for-profit charity with a public purpose clearly defined to others that lobby government for private gain or for commercial purposes. Would you like to explain the importance as you see it of the distinction between those two classes?---Certainly. So we are certainly concerned to see improved transparency, accountability, fairness and openness in decision-making and in policy-making in New South Wales and

we're certainly concerned to see a diversity of voices that feed into that process. I think that our members and NCOSS itself does not necessarily have access to the same level of resources that some private firms or interests may have and that they may be able to use those resources to use their lobbying efforts to gain better access and to have further or more input into decision-making processes. And we think that transparency and openness about those processes can help level the playing field and can provide the community with assurances as to how decision are being made and what factors are being taken into account.

10

And in terms of your submission, you in some detail look at increased regulation in terms of disclosure of information, disclosure of contact, but you think it's important for organisations such as yourselves to be excluded or given separate consideration. Is that right?---Look, I think there does need to be a distinction made between lobbying and doing so for the purposes of advancing commercial interests or private interests, and advocating which is in the public interest, but that being said, the principle of accountability, openness and transparency is one that we would fully support, but we wouldn't want to be seen necessarily in exactly the same vein as private lobbyists.

20

I'm going to come back to this topic of disclosure and matters of that kind, but I just want to, if I can, move to a different topic which is access. You've mentioned at least a couple of departments as they're now known, the Department of Health and I think the Department of Communities and Justice. Is that how it's now known?---It is. Previously Family and Community Services.

30

You would have a need, would you not, to consult with the ministers of those departments from time to time?---Absolutely, but it actually extends more broadly in that we have input into, or our constitution requires that we have input into social and economic policy, so certainly we don't just focus on those ministers, we would also be looking at transport, at industry, at regional issues, the whole gamut.

40

With what frequency are you seeking to meet say, for example, ministers of any particular department in the course of your work?---Look, it really varies depending on the issues at hand and what's happening at any particular point in time, but certainly when I first took up the role 12 months ago it was when we had just launched our state election policy platform, so there was a need for me to be out and about prosecuting that platform and meeting with ministers to make sure that they were aware of what we were asking for, and it was also a really good way for me to introduce myself to ministers and let them know that I was now in the role, because it does involve establishing a relationship and working with our political representatives.

Are you able to give the Commissioner some idea of with what frequency in the last year that you've held the position that you would be meeting ministers of any particular department?---I would say that the minister that I have met with most frequently is Minister Gareth Ward, who is the Minister for Communities and Justice and probably I have met with him, and he took on the portfolio following the March election, so since then I would say I have met with him about four or five times.

10 Are you able to give a ballpark figure, leaving aside the variation that may be a consequence of the recent election, as to how many times you're seeing ministers generally over the course of a year, would it be any particular number that comes to mind?---I've only been in the job for a year and we have had an election in the course of that year, so I don't think I'm yet in a, in a position - - -

There's no pattern emerging, is that - - -?---No, no.

20 Have you had - - -?---And if I'm not meeting with ministers, and often they will say, sorry, we're too busy to meet with you, but you can meet with my chief of staff of my senior advisor, so often it's not directly with the minister but someone from their office.

Have you had any problems with you wanting to access the ministers of any of these particular portfolios that cover the work that you conduct?---Look, as I said, sometimes they're too busy, but they will generally make sure that I can meet with someone in their office, so I don't think that has proven to be a problem.

30 And what about in departmental heads, you would be required to meet and consult with them from time to time, would you not?---That's true, and I haven't experienced any problems there.

THE COMMISSIONER: Could I just inquire, firstly what's your background before you went to – you joined NCOSS 12 months ago, did you?---That's correct.

40 And what sort of work were you doing before that, what's your sort of - - -? ---The majority of my career has been in the public service, so that's included working for 11 years as a senior executive in the Transport portfolio, prior to that I worked for a watchdog agency called the Community Services Commission and before that I actually worked at the Independent Commission Against Corruption as a corruption, in the Corruption Prevention Department.

Oh, right.---So primarily in government following – I left government in about 2011 and I held a number of senior roles in the not-for-profit sector in service delivery so I was the Director of Operations at Relationships

Australia. I then went and rolled out the NDIS for a mental health organisation and then I took on the role at NCOSS.

A good cross-section of experience and welcome back to the Commission.
---Thank you. It's nice to be here.

10 Could I just also inquire as to why NCOSS has an interest in lobbying practices and so on. Is it because now there's lobbying occurring more or less which affects NCOSS and that is to say, you've explained in your submission here how there's been what you refer to as significant reform and upheaval as government transitions from direct service provision to the purchasing of services from non-government and community based organisations and so on. Is your concern with lobbying from NCOSS's point of view that you now in effect have competitors who are seeking to be heard and influence government decision-making and that impacts on NCOSS? Is that how your interest or NCOSS's interest comes about in this (not transcribable)?---I think more our interest comes about because our members are often not well resourced to undertake their own lobbying and advocacy so they rely on us to do that on their behalf and we want to make
20 sure that, they're often very small organisations, very diverse, spread throughout New South Wales. We want to make sure that they're well represented and that they get treated fairly by government through contracting arrangements, through funding, through requirements that are placed on them.

Thank you. Yes.

30 MR CHEN: The importance underlines, the importance to be heard is to get access so they can be heard. Is that the idea?---Absolutely, yes. We, we work with government officials and we advocate to the minister to make sure that our sector gets a fair deal but we also have that broader public interest purpose of advocating for a New South Wales that is free from poverty and disadvantage. So I think they're a kind of dual advocacy approaches there.

40 In terms of accessing, I'm going to deal firstly with ministers and members of parliament. I'll come to departments in a moment. Is there any protocols that you need to follow to seek an audience with the minister or a minister? ---We would generally either send an email or make a phone call and be put through to the person who manages the diary and if we are having trouble we might try and contact a chief of staff or a senior adviser in that office to see if we can get a meeting set up but we have to go through a process in order to make that happen.

You don't have to follow the protocol which appears to be the online platform which ministers have, that is to say, to make a request for a meeting and fill in the, or populate the template and then lodge that online.

You've got a way to contact the minister directly?---I certainly have been sent the template from time to time and asked, been asked to fill that in.

When you see a minister are you required to identify the topics that you wish to discuss and policy issues, for example, that you would like to address with the minister?---Absolutely. They would generally ask what is the purpose of the meeting and who are you going to be bringing along and they will then determine whether, which of their advisers attend and whether they need a departmental representative there as well.

10

Is there any difference in that general way in which you approach setting up a meeting with a member of parliament to a minister or is it the same?---I would think with a member of parliament it can be easier to get access and you, you certainly have to say what the issue is but there probably isn't the same detail required.

20

And what about public departments that you would need to deal with? Is it the same way or general approach, that you would have a contact within the department to make these arrangements or is there some other way you have to approach it?---That would be the case. I mean, we're dealing with departments and departmental officials all the time and there's so many kind of working groups and different committees that we are involved with with departmental people that it's, yeah, but, yeah, from time to time we do need to also request additional meetings absolutely.

30

The submission that you prepared addressed a topic called Fair Consultation Processes. Did you have any particular processes in mind? I think what you identified or outlined in your submission was that you thought that would be a good idea, but it would need to involve government and relevant stakeholders. Do you have any particular ideas or models in mind where you thought this would be a good idea, or is it just generally?---Look, I think it, it needs to be fit for purpose, and I think one of the key issues that we would like to see addressed is upfront, being very clear on the purpose of the consultation, how long it will go for, and the extent to which it will influence the outcome. I think sometimes consultation can appear tokenistic. It can be happening partway through a process when decisions may have already been made. So I think to indicate the extent to which the consultation will influence decisions and the role that it will play from the beginning would be useful, because there are obviously some issues around which government perhaps may choose not to consult or will only consult in a limited fashion. But to be very clear, and not to raise expectations that, you know, we're, we're out there listening to everything and we're going to take everything into account, when perhaps that may not be the case.

40

How would you see that be expressed? That is to say, I think the idea that you're concerned about is being invited to participate, when really the decision has been made or will be made irrespective. How do you foresee that would be implemented and documented?---I think having some

guidelines and some underlying principles that need to be applied would be a very useful starting point.

I see. Are you familiar with whether any of the departments you deal with have that kind of fair consultation processes at all?---Look, I think the public service is undergoing quite a bit of reform at the moment. There have been a reduction in the number of departments and the creation of these rather large clusters and a whole lot of machinery of government changes that flow from that, and I think there's also a reduction in the size of the public service. So it's all still, they're, I think they're still waiting for the dust to settle, and probably in amongst all of that, undertaking good consultation is not top of mind at the moment. Hopefully once the dust settles, we'll, we will see a way forward.

I want to move to another topic which is disclosure of contact. In your submission, you actually set out the Scottish model, and indeed support – subject to some exceptions I'll take you to in a moment – an implementation of a model such as that. Is that right?---That's correct. We think if there is going to be a disclosure requirement, then the disclosure has to be meaningful. There isn't any point in having it if the information is so high-level as to not really tell you anything about what went on.

How would that help, that is to say, more meaningful disclosure, and we'll come to what that means in a moment, how would that help an organisation such as NCOSS in the work that it does?---Well, I think in making our decision-making processes more open and transparent, that helps all, that, that helps the community in general understand how government operates and the difficult decisions that have to be made, and I think it does help organisations like NCOSS and our members to have faith in how these processes work, and to have faith that they can put forward their views and that they will be taken into account. So I think transparency, openness, and accountability makes for good government, and that that benefits us all.

Would the information – oh, I'll approach it this way. You're familiar with the obligation for ministers to disclose meetings and their diaries, are you? ---Absolutely.

Is that a resource that you or your organisation has regard to from time to time?---We'd certainly occasionally looked at it, but it doesn't tell you a huge amount of information. It is pretty high-level, and doesn't really give any sense of the substantive issues discussed. So it's not something that we need to look at in any, in any significant way.

THE COMMISSIONER: So if you were asked to draft the instruction to ministers, how, what would it look like?---Well, I think to understand the purpose of the meeting and exactly what was discussed would be useful. I think to know who else was in the room would also be useful. Any documentation provided at the meeting to, to make note of that would help.

But if you're going to have the disclosure requirement, then it does need to contain some substantive detail.

MR CHEN: Does an organisation such as yourself have to consult ministers say, following through this idea, and raise commercially confidential matters at any time, or not?---We tend to be very transparent I would think in how we deal with ministers, and if we are making representations to a minister on behalf of our members we will generally want to report back to our members about what was discussed and, you know, what, what
10 transpired as a result of that meeting. So we might use our regular meetings with members, we might use an e-newsletter or some other means of communication to be accountable to our members for taking forward their issues. I guess I can't think of an issue that would be particularly sensitive and confidential where we wouldn't take that approach, but perhaps they could arise from time to time.

In your submission, I won't use the word advocate, but the position you adopt is that organisations such as yourself generally speaking, although the idea of disclosure is important and the principles that lie behind them are
20 fundamental, you take the position that you should be exempt. Is that right? ---Look, we certainly have put forward that submission or that position in our submission and we've noted that sometimes the administrative requirements that are placed on non-government organisations, particularly smaller ones, can be considered onerous and we wouldn't want to add to the administrative burden, but I guess I would make a couple of points. One is that that principle of openness and accountability and transparency is one that we would very much subscribe to and would be happy to advance in respect of our own advocacy activities, but I think we do need to distinguish
30 between our advocacy in the public interest and the lobbying activities of those who are representing either private or commercial interests, that we shouldn't necessarily be caught up in the one system, or if it is in the one system there needs to be a way of recognising that our purpose and our way of doing business is different.

And in fact you propose an exemption along the lines of a charity with public purposes well defined in mind. Is that right?---Mmm.

Could you just amplify, please. You suggested that an organisation – or sorry, I'll start again. It sounds from what you've told the Commissioner
40 that the kind of information that would be necessary to populate any kind of register would be information that you, if you were meeting with a minister or government head or public official of some kind, would keep. Is that right?---Yeah, and we'd certainly be happy to provide and put on the public record.

But the concern and the particular concern that you have about burden is because a number of your members or a number of bodies within the community sector aren't well resourced, and to do so may create some

hardship. Is that the point?---That's correct. They can often have multiple reporting requirements that can be quite onerous and so, and they're not necessarily well-funded for administrative work that needs to take place behind the scenes, so adding to that burden would be something we'd caution against.

10 And what's the size of these organisations that may be affected by any further regulation, is it by numbers, that is to say that have staff numbers of less than a set amount, or what's the criteria that you apply to describe small?---Look, there are such a diversity of organisations out there and I think there are some formal definitions about what constitutes a small, a medium and a large organisation, but you know, there are organisations out there getting by on 100,000 a year. I would classify an organisation of \$3 million or less, which is NCOSS, as a small organisation. I think medium is probably, you know, from 5 million up to 20 million and large would be beyond that.

20 The kind of, obviously much smaller than NCOSS, but the people within the sector that may only have one or two employees and operate I think you said on a budget of \$100,000, do they, in your experience, actually undertake lobbying with any degree of frequency? Lobbying being the term that we're using it here before the Commission.---Look, in regional areas, they may very well have a good relationship with their local MP, and the local MP may refer constituents to that organisation on a frequent basis, but they also have a good relationship with their local council and with councillors because, you know, they need to look at a range of different sources in terms of attracting funding. So they can be very well connected, have strong relationships and be very astute at working those relationships when they need to.

30 I'd like to move to another topic now, Ms Quilty, and that is what is commonly described as post-separation employment. You're familiar with the concept, are you?---I am.

40 And in fact you make the point that it's often the case or can be the case that in fact people that hold high public office sometimes enter into your sector, isn't that so?---Absolutely. We do have public servants who leave the public service, and come to work in the non-government sector, and we even have ex-politicians who have left public office and gone to work in the NGO sector.

And one of them was the former Deputy Premier that's gone to work in the mental health area, is that so?---John Watkins has gone to work for Alzheimer's Australia and we've also had John Robertson working at Foodbank NSW.

And I think Carmel Tebbutt has also gone - - -?---Absolutely. Carmel Tebbutt. How could I forget? She's working at the Mental Health Coordinating Council. So, yes, it certainly happens.

In terms of gifts or donations, I take it NCOSS doesn't make any donations consistent with its constitution.---No, we don't. I mean, we donated \$100 or so to our, our, the Youth Action peak body as an award for recognition of excellent service by one of their members, so from time to time we would do things like that, but it's not technically speaking a donation.

10

And there's certainly no gifts in relation to any lobbying activity that are offered by or given by - - -?---They would be very paltry gifts if they were gifts. But, no, there is, there are no gifts.

Is there anything else you'd like to add in your evidence today? I have nothing further to ask you, Ms Quilty, but if there's anything else you'd like to add, we obviously have your submission, but if there's anything else you'd like to add or supplement - - -?---No, I, thank you, that's, thank you.

20

All right. Commissioner, they were the questions I had of this witness.

THE COMMISSIONER: Yes. Ms Quilty, I'd like to thank you very much for your written submission. It's very comprehensive and seems to me to address all the issues we have to be concerned with, and thank you for coming along today to supplement those written submissions. As you may have heard earlier, we are proceeding in phases through this public inquiry rather than doing it all in one hearing. The purpose is to give people, interested parties, the opportunity to follow what's happening, to contribute as we go, and we envisage that in February we'll reconvene after this week of hearings and we'll hear again from anyone else who wants to contribute, but in particular from the government side of things as to what issues need to be addressed, if any at all, in terms of enhanced regulation. So once again, thank you very much for your attendance here today.---Thank you for the opportunity.

30

Not at all. Then I'll adjourn?

MR CHEN: Yes, Commissioner.

40

THE COMMISSIONER: Yes. Yes, thank you, I'll adjourn.

THE WITNESS EXCUSED

[12.39pm]

LUNCHEON ADJOURNMENT

[12.39pm]