

# Political Lobbying Project: Wider Regulatory Issues Meeting

Summary of Ministry of Justice facilitated meeting with government relations consultants on issues with political lobbying

8 September 2023

## Why we held this meeting

- 1. In April 2023 the Prime Minister announced several steps to introduce greater transparency around lobbying at Parliament. He commissioned the Ministry of Justice to undertake a review of the different policy options for regulating lobbying activities.
- The Ministry of Justice held a discussion on 8 September 2023 with government relations consultants to discuss political lobbying issues in New Zealand. Discussions were also held with other stakeholder groups in August and September 2023.

## Introduction and presentation of initial scoping work

- 3. Karakia, welcome and introductions (see attendee list Appendix 1).
- 4. Reminder of the Prime Minister's April 2023 announcement to initiate measures to provide greater transparency around lobbying at Parliament, including assisting thirdparty lobbyists to develop a voluntary code of conduct and undertaking a review of the different policy options for regulating lobbying activities.
- 5. This meeting aims to explore questions and issues that will need to be addressed as part of the wider regulatory project.
- 6. Brief introduction of the Ministry of Justice's Electoral and Constitutional team. Outline of the Ministry's approach to the meetings e.g. full transparency, meeting with groups not individuals, summary of meetings to be published online.
- 7. The Ministry gave a presentation on initial scoping work and summarised points made during the meetings on a voluntary code (both posted on the Ministry's <u>webpage</u>).

## Comments on a voluntary code of conduct

8. Attendees were interested in the progress on the first step voluntary code and recommended the PRINZ Code of Ethics or the Australian model to reference. Some said that a code should also highlight positive lobbying activities.

9. One attendee said that the value of the code is that it turns the spotlight back on the bureaucracy, both elected and non-elected, and thought it should also cover people who are lobbied.

#### Comments on other work areas

- 10. Attendees queried whether the external review into bullying in the parliamentary workplace announced in 2022 was completed and whether this could usefully contribute to the lobbying work. The final report is <a href="here">here</a>.
- 11. Others noted that the work on political donations could also provide a wealth of information.

# Definition of lobbying and project scope

Definition narrow or broad?

12. Attendees said many groups could be considered lobbyists.

Ways to narrow the definition

Some comments were made about specific groups.

- 12.1. One attendee noted that New Zealand has thousands of small industry associations that don't have their own advocacy staff. "They shouldn't be disadvantaged because they're using us."
- 12.2. Another attendee noted that boards directors have a lot of influence. Their advice or perspectives are sought by ministers, and often these relationships span decades.

Positive aspects of lobbying versus poor or bad practice

- 13. The group agreed that most people dislike the term lobbyist. They discussed the positive elements. "It's important to define both the 'negative/bad' aspects that we want to prevent, as well as the 'positive' of what we contribute." Some attendees noted that lobbyists in Australia have helped to legitimise good practice and have shone a light on poor/bad practice. One attendee thought that that leading with negative behaviours might legitimise the negative perception of lobbyists.
- 14. Attendees discussed some of the benefits of lobbying, including informing, engaging and bringing industry and government closer together, and saw this as a legitimate activity they shouldn't need to hide.

## The issues for New Zealand

15. General comments made during the meeting by attendees about lobbying issues included:

Is there really a problem in New Zealand?

- 16. Attendees suggested there may not be much of a problem to address as there already are mechanisms in place, such as the Cabinet Manual. Some thought that more could be done to improve on existing mechanisms.
- 17. One attendee said access to the information that brought this issue to light was through the OIA and media reporting, and this showed there was "no smoking gun".

Perception versus reality

18. Attendees said that if the issue is more around how lobbying is perceived, then this should be the focus, and will lead to solutions like education on lobbying and why it is done.

The problem is with decision-makers not lobbyists

- 19. Attendees agreed that much of the issue is with decision makers. Many were unhappy with the behaviour of politicians and spoke about an "us and them attitude" and "preconceived opinions and perceptions". Attendees said that trying to get information from elected officials and public servants can be extremely difficult. One attendee said that in their experience, there is a perception from decision-makers that "business is bad".
- 20. Some thought that this was more about the time that politicians can give. One attendee said engagement with decision-makers is mixed, sometimes good and sometimes less so. They added that the reform agenda means people are stretched and can't give attention to things they'd like to.

#### Fair access

Access to politicians and decision-making logic

21. Attendees were also concerned that it has been difficult to access elected and public officials, pointing out that it's not only difficult to see them, but also particularly difficult to access the evidence that they're making decisions on, across the public sector.

## **Transparency**

Direct relationships and the "mates ringing mates" culture

22. Attendees also discussed that New Zealand is unique in having the ability to develop one-on-one relationships. However there can be a perception that some have more or better relationships than others and seem to get better access because of a "mateship"

- culture. Attendees discussed the example of a former Minister which led to the Prime Minister announcing the political lobbying work.
- 23. Attendees grappled with how to ensure relationships are not being used inappropriately while still protecting people's rights to engage in democratic discussion. One attendee said that while it may not be possible to regulate this, there is not much guidance around how to communicate with politicians when you are friends with them.
- 24. Some attendees said that although most lobbyists behave ethically there are pockets of poor behaviour. "There are probably a few old school operators." One attendee said that they thought most of these people were former MPs. Another commented that these people will always behave like that, however, others agreed this is why a code of conduct might be important.
- 25. Noting that in the meeting with companies it heard that many had direct relationships with Ministers and were in regular contact, the Ministry asked this group whether any of them also had such direct access or received calls and texts from Ministers. Some said that they have phone numbers, and added that no matter what measures may be implemented, people will still meet over lunch.

## Integrity

## Revolving door issue

- 26. Attendees spoke at length about the revolving door question, noting that dealing with this could be "low hanging fruit". When asked why they thought this was a problem, they spoke about transfer of secrets and insider information and a lack of due diligence on those processes.
- 27. However, some said there may still be grey areas about the length of a stand-down period and who exactly any requirements would apply to (eg would it extend beyond Ministers to advisors or the press gallery etc). They noted it is important not to cast the net too wide where there is less risk.
- 28. Some shared their practical experiences of managing conflicts of interest in new roles. For example, one attendee said that as a former public service employee, the government relations company they transitioned into made a call for them to be excluded from any clients wanting advice in the area in which they had previously worked. They said that this could apply to politicians as well as senior public officials.
- 29. An attendee shared their experience in Australia of the length of cool-down periods, noting that it depends on the state.
- 30. Attendees also wondered whether a cooling down period worked both ways. One person said that they considered it should be both ways and gave examples of people like chiefs of staff who had come from lobbying roles. Another said that some of those relationships may get more favourable access to the Prime Minister than relationships held by other firms.

31. However, some were not so sure about stand-down periods and noted that it could be difficult to prevent people from moving between roles. "How do you define what's good and bad? It's about the standards that should be adhered to."

# **Next steps**

- 32. The Ministry will be working to develop a draft standard or code of conduct. The Ministry invited attendees to share relevant examples of codes with the Lobbying Project Team by email.
- 33. A summary of the engagement meetings will be made available on the Ministry website. This will be forwarded to attendees first to check for accuracy. The information from these meetings will inform analysis of policy options.

# **Appendix 1: Attendee list**

Name	Organisation
Lisa Sheppard	Ministry of Justice
Elisha Connell	Ministry of Justice
Adelle Keely	Acumen NZ
Bronwyn Millar	Acumen NZ
Spiro Anastasiou	SenateSHJ
Susanne Martin	PRINZ
Talani Meikle	GRC Partners and Porter Novelli
Daniel Paul	The PR Company