



Queensland Integrity Commissioner

Annual Report 2009–10

The Integrity Commissioner is an independent officer of the Parliament who advises senior Queensland public officials on ethics or integrity issues.

About this report

This annual report provides information about the Integrity Commissioner's financial and non-financial performance for 2009-10. It has been prepared in accordance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*.

This report has been prepared for the Speaker and the Integrity, Ethics and Parliamentary Privileges Committee for tabling in the Legislative Assembly.

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Integrity Commissioner Annual Report 2009-10.

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The Honourable John Mickel MP
Speaker of the Legislative Assembly
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Mr Kerry Shine MP
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Integrity, Ethics and Parliamentary
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BRISBANE QLD 4000

Dear Mr Speaker

Dear Mr Shine

This is the Annual Report of the Integrity Commissioner for the 12 months ending 30 June 2010.

It is the first report under the provisions of s. 85 of the *Integrity Act 2009* and complies with the provisions of that section. It is, in accordance with that section, provided to the Speaker and the Parliamentary Committee for Integrity, Ethics and Parliamentary Privileges. Previous Annual Reports were provided to the Premier as required by the provisions of the *Public Sector Ethics Act 1994*. However since 1 January 2010 when the *Integrity Act* came into force, the Integrity Commissioner has been an officer of the Parliament.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'David Solomon', written in a cursive style.

Dr David Solomon AM
Queensland Integrity Commissioner

20 September 2010

Who is the Queensland Integrity Commissioner?

Dr David Solomon AM became Queensland's third Integrity Commissioner on 1 July 2009.

The position of Queensland Integrity Commissioner was established in 1999 by amendments to the *Public Sector Ethics Act 1994*. The Honourable Alan Demack AO, a former judge of the Supreme Court of Queensland, took office as the first Integrity Commissioner in August 2000, and retired on 30 June 2004.

He was succeeded by Mr Gary Crooke QC, who served a five year term until 30 June 2009. Mr Crooke had a distinguished legal career that included serving as Senior Counsel assisting the Fitzgerald Inquiry, 1987-89, and Chairman of the National Crime Authority, 1999-2002.



Dr David Solomon was appointed to a five year term as Integrity Commissioner on 25 June 2009, and took office on 1 July 2009.

Dr Solomon was Chair of the Independent Panel appointed by the Bligh Government to review Queensland's Freedom of Information laws in 2007-08.

He retired from full-time journalism at the end of 2005. He spent most of his career in Canberra, writing about politics and the law, for such newspapers as *The Australian*, *The Australian Financial Review* and *The Canberra Times*. He moved to Brisbane in 1992 to Chair the Electoral and Administrative Review Commission, and, when that Commission was wound up, began working for *The Courier-Mail* as a Contributing Editor.

He has degrees from the Australian National University in Arts and Law (with honours), and a Doctorate of Letters. He has written almost a dozen books on parliament, politics, constitutional law and the High Court.

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The roles and functions of the Integrity Commissioner

The responsibilities and duties of the Queensland Integrity Commissioner changed significantly during the 2009-2010 financial year. The provisions of the *Public Sector Ethics Act 1994* relating to the Integrity Commissioner were moved into a new *Integrity Act 2009*. Some amendments were made and a new role, with responsibility for keeping the register of lobbyists, was added.

The Integrity function

The role of the Integrity Commissioner was originally defined by an amendment to the *Public Sector Ethics Act 1994* that was passed by Parliament in 1999 to introduce a new Part 7, “Integrity Commissioner”.

The purpose of this part was to help Ministers and others to avoid conflicts of interest and in so doing to encourage confidence in public institutions.

That Act gave the Integrity Commission a very limited workload. Until the end of 2009, the functions of Integrity Commissioner, as set out in the *Public Sector Ethics Act*, were -

- (1) The integrity commissioner has the following functions—
 - (a) to give advice to designated persons about conflict of interest issues as provided under division 5;
 - (b) to give advice to the Premier, if the Premier asks, on issues concerning ethics and integrity, including standard-setting for issues concerning ethics and integrity;
 - (c) to contribute to public understanding of public integrity standards by contributing to public discussion of policy and practice relevant to the integrity commissioner’s functions.

The Act specified who were or might be the “designated persons” that the Integrity Commissioner might assist. Essentially they were Ministers, Members of Parliament (though Opposition MPs were only added by an amendment that came into effect in September 2009), statutory office holders, CEOs of government agencies, senior executive officers and senior officers, staffers of Ministers and Parliamentary Secretaries and other people who might be nominated by a Minister or Parliamentary Secretary.

More than 5,000 people fit the description of a designated person. However senior executive officers and senior officers require a written authority from their chief executive before they can seek advice.

The term “conflict of interest” was defined in the *Public Sector Ethics Act* and (slightly differently) in the *Integrity Act 2009*.

A conflict of interest issue, involving a person, is an issue about a conflict or possible conflict between a personal interest of the person and the person’s official responsibilities.

The underlined words were added by the *Integrity Act* to bring in the notion of a possible conflict, and to extend what were first described as “official duties” to “official responsibilities”.

In August 2009, the Premier published a green paper on Integrity and Accountability. The process this initiated and its results will be discussed in the next part of this report. It was the catalyst for the passage of the *Integrity Act* and the changes to the responsibilities of the Integrity Commissioner. When the green paper was being prepared, the Premier decided that the Integrity Commissioner should personally interview every Government Member of Parliament about the declarations of interest that each of them is required to submit to the Parliament, to check that they would avoid any conflicts of interest that might arise. This function was written into the *Integrity Act*.

A number of other changes were made in the new Act concerning the integrity functions.

First, the emphasis in the previous Act on the restrictive role of the Integrity Commissioner advising only on conflicts of interest was removed. The new Act now gives the Commissioner power to advise more generally on integrity or ethics issues. Integrity Commissioners in the past have sometimes been constrained by the “conflicts of interest” provision in the kind of advice they could offer.

Second, the public role of the Integrity Commissioner was freed up. The previous provision was difficult to understand. Now the Integrity Commissioner is required to raise public awareness of ethics or integrity issues by contributing to public discussion of relevant issues.

Third, the Integrity Commissioner’s independence was enhanced by making the Integrity Commissioner an officer of the Parliament – rather than the Government – and linking the Integrity Commissioner closely to a parliamentary committee – the renamed Integrity, Ethics and Parliamentary Privileges Committee (previously the Members’ Ethics and Parliamentary Privileges Committee).

Fourth, the Integrity Commissioner is to be provided with a copy of the declarations of interests by all Chief Executive Officers, and is required to report to Parliament on any failure by a CEO to provide a declaration.

Additionally, the Government decided the Integrity Commissioner would be given access to the confidential declarations of interests concerning the partners of Members of Parliament.

The Lobbyists’ function

A registration system for professional, third-party lobbyists was introduced by the Queensland Government during 2009, by executive decision. Essentially, the Government decided that its Ministers, their advisors and public servants generally should have no dealings with any unregistered lobbyist. A lobbyist register was established within the Department of the Premier and Cabinet and the registration scheme essentially followed the precedent established by the Commonwealth in creating such a register – a precedent later followed by other States.

The green paper exercise found most respondents thought that while the register was a good idea, having it controlled by the Department of the Premier and Cabinet was not. The Government accepted this, and decided that that responsibility should be transferred to the Integrity Commissioner. It also decided that the lobbying industry should be regulated formally by legislation. This also allowed it to extend the reach of the registration system.

What the legislation did was to give full legal effect to the previous administrative scheme, transferring most of its provisions into the new *Integrity Act*. But there were four significant changes to the system.

First, the Integrity Commissioner was given power to develop a new Lobbyists Code of Conduct, with which “Lobbyists must comply” (s. 68). Failure to comply would be a reason for the Integrity Commissioner to refuse registration to the lobbyist, and that would come with a cost – not being able to do business with government.

Second, the reach of the licensing system was extended. Under the Act, local government and Government Owned Corporations are also required to have no dealings with a lobbyist who is not registered under the Act.

Third, lobbyists could not ask for or receive success fees for their efforts in lobbying government. If a lobbyist offended this prohibition, they were liable not only to be fined but also to surrender the fee to the government.

Fourth, former senior government representatives were prohibited, for two years after they left government, from doing any lobbying involving areas in which they had had “official dealings”. That term is not defined. However a guideline issued by the Director-General of the Department of the Premier and Cabinet in 2009 put it this way, “they are considered to be specific policies, procedures, transactions, negotiations or cases in which former senior government officers previously acted for, or provided advice to, the Government (either through the CEO or the Minister). Simply viewing documents, such as Cabinet submissions and decisions, would not constitute having had ‘official dealings’ on a matter.”

“Former senior government representative” is defined in a very broad manner to include, for example, anyone who had worked in the office of a Minister or parliamentary secretary, as well as senior public servants, down to senior executive level or equivalent.

The Integrity Commissioner was required by the Act to develop a new Lobbyists Code of Conduct. This was introduced in March 2010 and was largely based on the administrative code that was in force in 2009, although the range of ethical requirements lobbyists are now required to meet was increased.

Significantly it also includes two important prerequisites to any lobbying activity, designed to make it easier for government and local government representatives to appreciate the nature of the lobbying activity to which they are being asked to respond.

First, when making an initial contact lobbyists have to make clear that they are on the lobbyist register, and the person conducting the lobbying is listed, who they are representing, the nature of the issue they wish to raise and the reasons for the approach.

Second, if the listed lobbyist is a former government representative, they must indicate when they became a former government representative and that the matter they wish to lobby about is not banned by the Act as a “related lobbying activity.”

Further amendments to the *Integrity Act* were being considered by Government late in the financial year with a view to being presented to Parliament in August 2010.

The 2009-2010 year in review

My appointment as Integrity Commissioner followed the standard process for the appointment of statutory and other senior officers in the Queensland Government. The position was advertised in *The Weekend Australian* and the *The Courier-Mail* in April 2009. A selection panel was established comprising Mr Ken Smith, Director-General of the Department of the Premier and Cabinet, Mr Bruce Wilson, Commission Chief Executive of the Public Service Commission, Ms Rachel Hunter, Director-General of the Department of Justice and Attorney-General, and Mr Robert Needham, Chair of the Crime and Misconduct Commission. Ms Hunter subsequently withdrew for personal reasons. The panel interviewed three candidates and recommended to the Governor in Council that I be appointed. Under the new *Integrity Act*, because the Integrity Commissioner is now an officer of the Parliament, for future appointments the Minister must consult with the Parliamentary Committee on Integrity, Ethics and Parliamentary Privileges about the process of selection and the appointment of a person as Integrity Commissioner.

Integrity issues

Integrity issues occupied a considerable amount of public, political and private concern in the first half of this reporting year.

First there was the trial and conviction of Gordon Nuttall, a Minister in the last Beattie Government, on what may be called corruption charges – with more charges still unresolved. Then Tony Fitzgerald QC, on the 20th anniversary of his report on corruption in the Queensland police force, and elsewhere, made a speech highly critical of Queensland's commitment to reform.

The Premier's reaction, apart from pointing out that the integrity system that was in place had actually succeeded in investigating Nuttall's criminal conduct as a Minister, and successfully prosecuting him, was to commence a new round of integrity reforms.

In August the Premier published a green paper on integrity and accountability in Queensland. This reviewed the existing system and sought suggestions from the public about how it might be improved. The consultative process that was established took various forms, including seeking submissions, holding public forums and even two open internet-enabled public meetings. Supervising the process were the Premier and Attorney-General and some non-government people who were appointed to a so-called "round table" group, that eventually made recommendations based on the submissions and consultations. Those in the group included the then chair of the Crime and Misconduct Commission, Robert Needham, a former chair of the Independent Commission Against Corruption, Irene Moss, the Dean of the Australian and New Zealand School of Government and former head of the ACCC, Professor Allan Fels, several other academics, and myself as Integrity Commissioner. Most of the round table's recommendations were adopted by the government.

I should point out that my own contributions to the debate and the recommendations were in accordance with my responsibilities under the *Public Sector Ethics Act 1994*, to give advice to the Premier, if asked, on issues concerning ethics and integrity, and to contribute to public understanding of public integrity standards by contributing to public discussion of policy and practice relevant to the Commissioner's functions – s.28(1)(b) and (c).

In November 2009 the Government published its formal response to the green paper process, promising significant reforms that would be introduced over the following year. Some of these are now in place, others are in the exposure draft stage, others are still to come but appear certain to be delivered.

Overall, in my view, the result is a considerable strengthening of the integrity system in Queensland, though a final verdict will depend on the details contained in the relevant legislation.

I should mention some of the more important changes.

(a) Integrity Act – integrity

The first emanation of the enhanced accountability regime was the new *Integrity Act*, passed by Parliament at the end of 2009 and in force from 1 January 2010. This had three main objects. The first was to move the provisions affecting the Integrity Commissioner that formerly resided in the *Public Sector Ethics Act 1994* to the new Act, and to expand some of the Integrity Commissioner's functions. The second was to create a legislative framework for the regulation of the lobbying industry in Queensland, to ban success fees for lobbyists and to make the Integrity Commissioner responsible for the Register of Lobbyists. The third was to give the Crime and Misconduct Commission jurisdiction over Government Owned Corporations.

As mentioned in the previous section of this report, while the green paper was being prepared, the Premier decided that the Integrity Commissioner should personally interview every Government Member of Parliament about the declarations of pecuniary interests that each of them has to submit to the Parliament, to check that they will avoid any conflicts of interest that might arise. That will occur each year. This process was enabled by provisions in the *Integrity Act*.

Other changes affecting the role of the Integrity Commissioner were detailed earlier in this report.

(b) Whistleblowing

Draft legislation to reform the *Whistleblowers Protection Act 1994* was presented to Parliament early in August 2010. The new Public Interest Disclosure Bill 2010 is based on research conducted by Professor AJ Brown and others though it does not adopt all his recommendations.

(c) Single code of conduct

There has also been a lot of work done on the production of a new code of conduct for the Queensland public service. This will be enabled by changes to the *Public Sector Ethics Act*.

(d) Declarations of interest by MPs

The Government announced that it would give legislative force to the requirement for MPs to make declarations of their interests. At the moment this is covered by Standing Orders. The Parliament has already acted to put the declarations of all MPs on its website, and changes are made regularly to reflect any amendments that are made.

(e) Declarations by public servants

The Public Service Commission (PSC) has extended the requirements for senior public servants to make declarations of interest. The Integrity Commissioner has an oversight responsibility in relation to declarations by Chief Executive Officers and statutory office holders.

(f) Gifts policy

The PSC has also issued a directive about gifts. The requirements are now uniform across government – previously, Ministers had the opportunity to purchase gifts at a discount (that is, wholesale value) rate. The disclosure level has been set at \$150, and departmental registers are going to be available on-line.

(g) Contracts

A new procurement policy is being developed. Contracts of a value of \$10 million and more are to be published and those over \$10,000 are to be notified online.

(h) A better Parliamentary Committee system?

Prospectively one of the really significant improvements in accountability would be the development of a better and more effective Parliamentary Committee system. A Parliamentary Committee was established specifically to review the current system and its operation. I made a submission to that Committee advocating a major review of the system to incorporate many of the recommendations made by the Electoral and Administrative Review Commission in 1992. A report is anticipated before the end of 2010.

(i) Upgrading the role of the Public Service Commission

The Public Service Commission is having its role enhanced in a number of ways. First it will have a stronger role in ensuring consistency of disciplinary action and practices across the whole public sector. Second, it has acquired a new Ethical Standards Branch to assist in providing advice on ethics issues. It will oversee the expansion of the existing public sector ethics network to ensure it is represented in every agency. And it is providing the lead in the development of mandatory training in ethical decision-making across the whole sector. Training will be run at an agency level but the PSC will provide materials and ensure there is some uniformity. All new public sector employees will be required to undertake code of conduct training. In addition, the government has decided there will be mandatory, annual training in ethical decision-making for the whole of the public sector.

(j) A new Ministerial and Other Office Holder Staff Bill

The Government also decided on the recommendation of the round table group that it would introduce legislation similar to the federal MoPS (Members of Parliament Staff) Act covering the employment of Ministerial and Opposition staff. It will also publish rules governing the relationship between Ministerial staff and public servants.

When I was discussing lobbying I mentioned that the *Integrity Act* requires local government to follow the same rules as apply to the public service. For completeness, I should mention that a new *Local Government Act* came into force on 1 July this year and it introduced a new disciplinary regime covering complaints about the behaviour of councillors.

It will take time to assess the impact of the various measures the government has already introduced or plans to do so in the near future.

Lobbying issues

In my view it is already clear that the rules concerning lobbyists need major changes. In June 2010 I responded to a request by the (NSW) Independent Commission Against Corruption to make a submission in relation to its inquiry into the regulation of lobbying in NSW. I subsequently gave evidence in August during its public inquiry, in which I indicated that while the present system was satisfactory in many ways, it did not go far enough in trying to regulate very many people who lobby government but do not fit within the statutory definition of what is a lobbyist. I intend to prepare a formal paper explaining in detail my concerns about the present system and my suggestions for its reform. I will then publish a synthesis of my submission and evidence to ICAC later in the year, probably in conjunction with my next meeting with the Parliamentary Committee on Integrity, Ethics and Parliamentary Privileges.

In summary, however, I submitted to ICAC that—

- (a) The definition of who is a lobbyist should be greatly broadened to include organisations that employ in-house lobbyists, representative organisations of doctors, engineers, property developers etc, and all other organisations that seek to influence State or local government decisions-making. Lawyers and accountants who engage in lobbying for a client should be obliged to register. The Canadian registration system should be taken as a guide.
- (b) There should be a two year limitation on lobbying by former MPs, Ministerial staffers and senior public servants and senior officers of local councils.
- (c) The system should be supervised by an independent regulator.
- (d) The law should ban success fees and fund-raising by lobbyists and strictly limit and make public the provision of gifts by them to government representatives.
- (e) The law should detail the record-keeping obligations of governments, local government and lobbyists.

The requirements of the Queensland system that are now contained in the *Integrity Act* have generally been well received by most third-party lobbyists and government relations firms. However there have been some definitional problems and some cultural issues.

As to the latter, there is considerable resistance by some people to registering because they object to being labelled as a “lobbyist”. The term, in their view, has a pejorative connotation. This attitude is also shared by some in government who have resisted having any contact with anyone who is on the Lobbyists Register. This is quite contrary to the intent of the Act and the Lobbyists Code of Conduct which states

“Professional lobbyists are a legitimate part of, and make a legitimate contribution to, the democratic process by assisting individuals and organisations to communicate their views on matters of public interest to the government, and so improve outcomes for the individual and the community as a whole.”

The cultural problem, in my view, is sufficiently acute that it might be desirable to rename the register and relevant parts of the Act, so that it provides for a “Register of Lobbyists and Consultants”.

The definitional problems referred to above have been of particular concern for local government, but have also affected government departments. The main issue concerns s. 41 of the Act, the definition of lobbyist and the notion of “incidental lobbying activities”. An entity that carries out only “incidental lobbying activities” is not a lobbyist. Section 41(5) of the Act says –

“An entity carries out *incidental lobbying activities* if the entity undertakes, or carries on a business primarily intended to allow individuals to undertake, a technical or professional occupation in which lobbying activities are occasional only and incidental to the provision of professional or technical services.”

Examples–

- an architect or architectural practice
- an engineer or engineering practice
- a lawyer or legal practice
- an accountant or accountancy practice

In my view if a lawyer, accountant, engineer, architect or town planner is hired by a client specifically to try to “influence State or local government decision making” (s. 42.(1)) they are not involved in incidental lobbying activities. Rather, any legal, accountancy, engineering, architectural or planning advice they provide to the client is incidental to why they were hired and the real objective of the client – namely, influencing the government or local government, for example, to obtain a licence or a development approval.

This view is apparently unacceptable to the Queensland Law Society which wants the law changed to grant lawyers a complete exemption.

The issue is especially important for local government in relation to whether councillors or council officers may have dealings with unregistered lobbyists seeking to obtain planning approvals for their clients. Ultimately, the issue is not a matter for the Integrity Commissioner to resolve because the Act puts the responsibility for not dealing with unregistered lobbyists on individual government representatives. Section 71(2) says –

A government representative must not knowingly permit an entity that is not a registered lobbyist to carry out a lobbying activity for a third party client with the government representative.

I understand at least one department has sought legal advice to try to clarify the issues.

I have raised several other issues with the government in relation to the regulation of lobbying and these are to be dealt with in the Integrity Reform legislation to be put before Parliament in August.

Other developments

(a) Requests from designated persons

The 2009-2010 financial year saw a huge spike in the volume of requests for advice from “designated persons” under the *Public Sector Ethics Act* and then the *Integrity Act*. My predecessor, in the previous financial year, received 20 such requests. I received 57, including four from the Premier. Altogether, requests from the Premier, Ministers and Members of Parliament constituted well over half of the requests. A detailed breakdown is provided in a later section of this report.

Most requests for advice were answered in about 24 hours. Some took longer because I needed further information from the person making the request, or because a designated person needed to obtain permission from their chief executive to make the request. Two matters were held over at the end of the year. The first was to allow me to have further discussions with the person making the request. The second was a request for advice on the rules for, and administration of, publicly funded Opposition advertising. It required a substantial amount of research of the systems in place in other jurisdictions and I estimated when I received the request that it would take me about two months to respond.

The *Public Sector Ethics Act* limited advice that could be sought by designated persons, other than the Premier, to conflict of interest issues. The Premier was able to ask for advice on issues concerning ethics and integrity issues, including standard setting. Under the *Integrity Act*, the range of matters on which designated persons could seek advice was expanded beyond conflict of interest issues to include ethics or integrity matters. This change did result in a small, but important, increase in the number of requests to which I was able to respond.

These comments on my performance of this function are expressed in a generalised and unspecific manner. This is dictated by the requirement in the *Integrity Act* (and, in similar terms, its predecessor Act) that the annual report “must not disclose information likely to identify a specific request for the Integrity Commissioner’s advice on an ethics or integrity issue, including information likely to identify” anyone requesting advice or about whom advice was requested – s. 85(3).

(b) Interviews with Government MPs

When the Premier launched the green paper on *Integrity and Accountability in Queensland* in August 2009, she said the Government was committed to requiring each Government Member of Parliament to meet annually with the Integrity Commissioner to discuss the Member’s pecuniary interests and how the Member intends to manage any potential conflicts of interest.

I met with every Government MP (including the Premier and all Ministers) during the 2009-2010 year. Most discussions, based on their publicly available declarations of interest, were brief and uneventful. In future I will also access declarations in relation to their related persons as part of these discussions. The *Integrity Act* makes it possible for any Member of the Legislative Assembly to request a meeting with the Integrity Commissioner about their own interests issues and to obtain advice.

(c) Requests concerning lobbying

This is a function associated with the new responsibilities under the *Integrity Act* for the Lobbyists Register. Though there is no specific provision in the Act that requires the Integrity Commissioner to give advice to people in relation to the regulation of lobbying activities, I believe that duty follows from the fact that I have the legal responsibility for the registration system. In addition, I have a responsibility to raise public awareness of integrity issues, and one such issue is the lobbyists' registration system. I am, however, conscious that under the Act, the ultimate responsibility for determining whether there is a "lobbying activity" rests with the government representative who is, or might be, lobbied – see s. 71(2). This is a fact that I regularly draw to the attention of those who consult me about this part of the Act.

After the *Integrity Act* came into force on 1 January 2010, I received 17 written requests for advice about the lobbying provisions of the Act. In addition, I was consulted by the Local Government Association of Queensland about the content of a guide the LGAQ was preparing for councillors and staff. I had meetings with a number of councils and groups of councils, at which Mayors, councillors and senior council staff were present. Additionally, I met with senior officers of a number of government departments in Brisbane and exchanged correspondence about the implementation of the lobbyist provisions. I also addressed the CEO Leadership Team on several occasions.

I have also had several meetings with executive members of the Government Relations Professionals Association (Inc.), and with several individual lobbyists, about the operation of the Act and ways in which its administration and the law might be improved.

(d) Advice/responses to the Premier, Public Service Commission and others

At the Premier's request, I became a member of the round table group that oversaw the consultation process that was set in motion by the publication of the Premier's green paper on *Integrity and Accountability in Queensland*. I took part in six public meetings in Brisbane and regional cities and participated in the round table's deliberations when it made recommendations about reforms that should be implemented.

I have been consulted subsequently about the content of draft legislation to implement some of those reforms, and other matters arising from them, including directives issued by the Public Service Commission and the draft uniform code of conduct for the public service.

(e) The Lobbyists Code of Conduct

The *Integrity Act* empowered me to approve a Lobbyists' Code of Conduct after consultation with the Parliamentary Committee. I developed a draft of the code, based on the former code that had been developed by the Department of the Premier and Cabinet, which in turn was modelled on the code that had been adopted by the Commonwealth Government. Early in January, I published an announcement on the website seeking submissions and contacted all the registered lobbyists seeking their input into the development of the new code. In mid January, I placed an advertisement in newspapers in Brisbane and in 12 regional newspapers throughout Queensland. I prepared a draft code and discussed it with the Parliamentary Committee before putting it on the website. After the time for submissions had concluded, I consulted a second time with the Parliamentary Committee before approving the final version of the code and publishing it on the website.

(f) The Integrity Commissioner's workload

The matters detailed above and elsewhere in this report required me to spend far more than the equivalent of two days a week that was envisaged when I was appointed. Recognising this, and the additional work that would be involved when the *Integrity Act* came into force on 1 January 2010, the Government decided to recommend to the Governor in Council that my position should become full-time from that date. Some months later, I advised the Government that I considered that my workload should be reduced to 80 per cent of full-time from 1 July 2010, and that change was also approved by the Governor in Council.

(g) Relations with Parliamentary Committee

I met with the Parliamentary Members' Ethics and Parliamentary Privileges Committee in September 2009 for a general discussion about my role and activities. As mentioned above, I had two meetings with the (renamed) Parliamentary Committee on Integrity, Ethics and Parliamentary Privileges early in 2010 to discuss the proposed Lobbyists' Code of Conduct. At the invitation of the Parliamentary Committee, I had a further meeting with its members on 11 June 2010. Prior to the meeting, the committee provided me with a series of questions, to which I responded. The June meeting was recorded by Hansard and the committee proposed to provide that record to the Legislative Assembly. The Committee has proposed, and I have agreed, that we should adopt this procedure twice a year.

(h) Office location

In early July 2009, the office of the Integrity Commissioner was relocated from the third floor of 61 Mary Street to the 13th floor of 53 Albert Street. The building also houses the Public Service Commission, on the same floor, and the Ombudsman and Auditor-General.

(i) CEO compliance with Public Service Act, s.101

Section 85(2) of the *Integrity Act* requires the Integrity Commissioner to provide details of compliance by chief executives of departments with the requirement to give the Integrity Commissioner statements and written advice under s. 101 of the *Public Service Act 2008*. This section deals with declarations of interest by chief executives. I can report that all chief executives complied with the requirements of the Act.

(j) My own declarations

The *Public Sector Ethics Act* did not include a requirement for the Integrity Commissioner to make a declaration of interest. This oversight was corrected in the *Integrity Act*, s. 80. Early in January 2010, I complied with the provisions of the Act by providing the Premier and the parliamentary committee with a statement of my interests.

(k) The Integrity Committee

Since 2001, an informal meeting has been convened three or four times a year of what is known as the Integrity Committee. Those invited to attend are the Chair of the Crime and Misconduct Commission, the Auditor-General, the Ombudsman, the chief executive of the Public Service Commission and the Integrity Commissioner. Since 2005, the Information Commissioner has also attended. The group discusses a wide range of ethical and integrity issues, and shares information about their activities. There were three meetings of the group in 2009–2010.

Summary of requests

Ethics and integrity issues

Premier	4
Ministers	16
Parliamentary Secretaries	0
Other MPs	11
Directors-General	4
Other designated persons	22
Total	57

Other matters

Lobbying – formal advice	13
General Advice / No jurisdiction	23
Preliminary Discussions –No written request received	1
Total	37

Total requests received	94
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Issues considered

The preceding table lists the source of the requests for advice received in the 2009–2010 year. The *Integrity Act* states that my report must not disclose information likely to identify a specific request for my advice on an ethics or integrity issue, including information likely to identify an individual who requested advice, or about whom advice was sought. My predecessors have made one exception, by disclosing how many requests have been made by the Premier during the reporting period. I am not sure that this breach can be justified, though I have followed the same practice this year. I will reconsider whether I will continue to do so.

Notwithstanding the secrecy provisions in the Act concerning the requesting of advice and the advice itself – provisions that are reflected in the exemption from Right to Information of all documents received or created by the Integrity Commissioner for chapter 3 of the Act (“Advice on ethics or integrity issues”) – it is possible to indicate the general nature of the issues that have arisen as a result of requests during the year.

Most requests for advice have concerned conflict of interest issues while a few fall under the general heading of integrity issues. The general subject matters include –

- invitations to accept sponsored travel
- invitations to accept outside appointments
- appearance by a lawyer-MP pro bono for a constituent
- possible conflicts of interest because of spouse/friend employment
- advice about possible conflicts involving rental properties
- advice about staff in conflict situations
- advice about conflict in employment responsibilities
- advice about dealing with lobbyists
- advice about codes of conduct
- advice about post-separation employment
- advice about conflict between employment and outside position
- advice about accepting position as patron
- advice about attending fund-raisers for charities
- advice about rules/administration of publicly funded official Opposition advertising.

Contribution to public awareness and understanding of ethics or integrity issues

One of the functions of the Integrity Commissioner is “to raise public awareness of ethics or integrity issues by contributing to public discussion of these issues relevant to the Integrity Commissioner’s functions” – s. 7(1)(d) of the *Integrity Act*. As my immediate predecessor, Gary Crooke QC, noted in his annual report last year, this is not a mandate to comment at large on any matter of public interest. What the Integrity Commissioner is required to do is discuss “issues relevant to the Integrity Commissioner’s functions”. That said, the mandate is reasonably broad. Ethics or integrity issues are involved in a wide range of matters concerning government structures, practices and policies. I had no hesitation in accepting the Premier’s invitation last year to take an active part in the discussion arising out of the publication of the green paper on *Integrity and Accountability in Queensland*, and giving my views on the implementation of reforms that flowed from that process.

There are a number of ways in which the Integrity Commissioner may contribute to the relevant public discussion. Perhaps the most basic is by making information available to anyone who is interested through the website, www.integrity.qld.gov.au. This site was opened on 6 April 2001. It was updated this year and given a fresh look. Much of the material that was on the site was rewritten, to reflect changes that were brought about in part by the enactment of the *Integrity Act*. It also acquired a complete new section, dealing with lobbyists. The Lobbyists’ Register is now published on the site and is searchable for registered entities, employed lobbyists and organisations that employ lobbyists to lobby for them.

The website includes papers and presentations by Integrity Commissioners past and present, and the most recent annual reports of the Integrity Commissioner. In the past year, there have been about 40,000 visits to the website. The addition of the Lobbyists’ Register in January 2010 increased the number of visits by about 50 per cent.

Another way of informing a large number of people is through the media. In the past year I have had extensive interviews with three separate presenters on ABC radio – two based in Brisbane, one on the Gold Coast.

I have given a large number of papers at conferences, in Queensland and interstate, including presentations to –

- Chartered Secretaries Australia – Annual Public Sector Update – *Whistleblower protection – improving culture in the public service*
- Right to Information Day Breakfast – *Inaugural Solomon lecture*
- Institute of Public Administration Australia (IPAA) – *A response to the Integrity & Accountability in Queensland Green Paper released by the Queensland Government – Ethics and Integrity – The Good, the Bad and the Indifferent*
- Australasian Studies of Parliament Group – Queensland Chapter – *A debate on 4 year terms of the Queensland Parliament*
- 2009 IPAA National Conference – *Sustaining Transparency and Accountability – Building a Culture of Openness*

- Australian National University (ANU) / Australian Parliament Conference – *Strengthening Parliamentary Institutions: Emerging Perspectives on Ethics and Integrity Matters – What Does Canberra Need in an Integrity System?*
- HP Software and Solutions – TRIM User Forum – *FOI reform and my involvement in this reform*
- Queensland Law Society Government Lawyers Conference – *Panel Discussion: The Role of Departmental Lawyers – Dealing with Conflicts and Dilemmas*

I have also given presentations to a number of groups within the public service –

- CEO Leadership Team – introductory meeting and presentation to Directors-General
- Public Service Commission (PSC) Staff Forums
- PSC Graduates Program
- Department of Justice and Attorney-General – Senior Management Team
- Export Week Trade Commissioner’s Conference
- Senior Executive Service Induction Program
- Department of Transport and Main Roads – Senior Leadership Team
- Department of Employment, Economic Development and Innovation – Senior Executives
- Institute of Arbitrators and Mediators – *The role of the Integrity Commissioner*
- Queensland Health – Executive and Senior Directors – Division of the Chief Health Officer
- CEO’s Breakfast Briefing – *Conflict of interest / lobbyists*
- Crime and Misconduct Commission Liaison Officers
- Queensland Police Service – Senior Executives Conference

In addition I have spoken to Mayors, councillors and council staff about the application of the lobbying provisions of the *Integrity Act* to local government –

- North Queensland Regional Organisation of Councils
- Regional Organisation of Councils of Cape York and Torres Shire
- Logan City Council
- Wide Bay Burnett Regional Organisation of Councils.

Staffing for the Integrity Commissioner

As explained earlier, I, like my two predecessors, was initially employed on a part-time basis, the equivalent of two days a week. Unlike them, I live in Brisbane, and I have been able to be in the office most working days. I was employed full-time for the second half of the financial year.

The Integrity Commissioner has always had the support of a full-time Executive Coordinator. The position has been filled for the past six years by Mrs Mattea Slinger. I am grateful for her extremely capable support.

In January 2010, two additional positions were created within the office. Their occupants are responsible for maintaining the lobbyists register. Deborah Clark-Dickson is the Principal Policy Officer (Lobbying) and Thina Daffurn the Research Support Officer (Lobbying). Their competence and dedication have ensured that there has been a smooth implementation of the new register.

Compliance disclosures

The Queensland Integrity Commissioner uses the Code of Conduct for the Department of the Premier and Cabinet.

A copy of a Records Classification Scheme and Records Disposal Authority which was developed for the Office of the Queensland Integrity Commissioner, and approved by the Queensland State Archivist on 20 August 2007, is available on the website www.integrity.qld.gov.au. A copy is also available on the Queensland State Archives website www.archives.qld.gov.au.

No consultants were used.

No overseas travel was taken.

No public interest disclosures under the *Whistleblowers Protection Act 1994* were received by the office.

This Annual Report, the Privacy Plan and Statement of Affairs of the Integrity Commissioner are also available on the website www.integrity.qld.gov.au.

Financial statement

Revenue and expenditure For the year ended 30 June 2010

	2009/10	2008/09
Revenue from ordinary activities		
Output revenue	464,466	185,200
Total revenue from ordinary activities	464,466	185,200
Expenses from ordinary activities		
Employee Expenses		
Salaries and wages and related costs	300,275	118,979
Salary-related taxes	18,840	6,521
Other employee expenses	1,014	5,337
Superannuation	33,811	14,432
Total employee expenses	353,940	145,270
Supplies and services		
Consultancy and Contractors	1,436	-
Consumables	3,330	143
Building Services	61,635	-
Parking	9,563	5,060
Travel costs	5,104	6,568
Telecommunications costs	5,695	1,145
Marketing and public relations	7,102	1,440
Minor plant and equipment	14,120	41
Other administrative expenses	600	20
Computer Software Expensed	207	0
Depreciation	324	-
Repairs and maintenance	1,410	-
Total supplies and services	110,525	14,416
Total expenses from ordinary activities	464,465	159,686
Net Operating Result	\$ 0	\$ 25,514

The Integrity Commissioner is an independent officer of the Parliament created by Statute.

Provision of funding and administrative support has been provided previously by the Public Service Commission.

However the provision of these supplies and services are now allocated to and managed by the Integrity Commissioner and are no longer absorbed by the Public Service Commission.

Please note that this financial statement has not been subject to audit.

Note 1: * The increase in Employee Expenses was primarily due to:

- For six months the Integrity Commissioner was paid at 100% of salary, rather than 40%. From 1 January 2010, two additional support officers were employed to administer the Lobbyists Register.
- salary increases due to an Enterprise Bargaining Agreement

Note 2: * Consultancy and contractor costs:

Contractor costs were primarily due to costs in relation to the appointment of the Integrity Commissioner.

Note 3: * Minor plant and equipment:

The Integrity Commissioner has adopted the whole-of-government non-current asset policy and asset recognition threshold for all government assets. This results in assets within the threshold amount being expensed in the year of purchase rather than depreciated over a number of years. Minor equipment purchases during the year were under the asset threshold.

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