Lobbying in New South Wales

A submission to

Independent Commission against Corruption

New South Wales

30 June 2010

Contents

Executive Summary

The Public Relations Institute of Australia (PRIA) welcomes this opportunity to present its views to the Independent Commission against Corruption. As the peak body representing 3,000 individual public relations practitioners and more than 175 Registered Consultancies, we believe our views are well informed and reflect the realities of professional 'lobbyists' and 'lobbying'.

'Lobbyists' perform a legal, legitimate and important role in our democracy; they are engaged in public advocacy on behalf of their clients. More properly referred to as government relations or public affairs practitioners, they ensure that a wide range of stakeholders have a say in policymaking.

The PRIA suggests that the key issues in any review of lobbying relate to transparency and openness of government decision making, stakeholder engagement, freedom of expression and the democratic right for every citizen to have a voice. The PRIA is strongly committed to both the transparency of representation and transparency of process in relation to public advocacy.

The broad range of daily public advocacy activities within New South Wales does not appear to have triggered this ICAC review. There is no evidence presented in the supporting material that this everyday activity is conducted corruptly, or in an environment conducive to corruption. Therefore, the PRIA urges the Commission to ensure that any recommendations for changes to regulation or process do not unfairly diminish access to government and the process of decision making and such changes recognise the broad perspectives in which lobbying occurs within the State.

Without a government representative making a decision to violate his or her employment agreement and/or code of conduct, there is no risk of corruption. Thus, programs within the public service and codes for parliamentary representatives are *the* crucial pillar to minimise malfeasance. Tools such as the lobbyist register help ensure all parties are aware of representation identity. However, addressing the culture, process and practices of government representatives and employees is a far more effective barrier to limiting any potential for corruptive practices.

PRIA believes that our members who work as NSW government relations practitioners do so in a transparent, accountable and fair manner. They abide by the PRIA Code of Ethics and act professionally in accordance with that code. If further disclosure and reporting is required, PRIA believes that it should be imposed internally within government, not through increased regulation of external parties. For example, we believe the onus of reporting interactions with stakeholders should be fully borne by government.

PRIA would not want to see any review of lobbying lead to the State Government resisting citizen access or restricting freedom of speech. For this reason, we are concerned with the implications of restricting 'indirect lobbying' as it indicates that the expression of opinion using a wide range of forums is to be monitored or restricted.

Grassroots communication is vital to the health of our democracy. Mobilising grassroots support or expressing opinions from diverse publics at the coal face is a legitimising force. Driving grass roots groups and building citizen coalitions is not illegal. It is only inappropriate to *misrepresent* the amount of support, or not to disclose the true nature of organisation. Unfortunately, the ICAC

discussion paper appears to confuse 'grassroots communication' with 'astro-turfing', a practice which the PRIA does not support and has previously made public statements against.

We believe an artificial distinction is being made between third-party 'lobbyists' and 'technical consultants'. Both these groups of external consultants provide advice to the Government and should be required to disclose the identity of their employer or client.

PRIA believes that disclosure would serve the public interest more effectively than any ban on 'lobbying' as a profession post-politics. Prohibiting former politicians and political staffers from working as lobbyists would represent an unreasonable restriction on career choice.

PRIA would not support any move to place limits on one's professional activities on the basis of existing or past personal friendships. We strongly believe in freedom of association and would reject any moves put in place to limit this. Electioneering and political campaigning are a separate area of practice to public advocacy and the PRIA urges the Commission to ensure that it is targeting the correct practices, people and regulation in conducting this review.

PRIA believes the government has no right to monitor the financial remuneration of government relations consultants any more than it has a right to monitor other forms of private remuneration. Although rarely used by our members, success fees can form a portion but not the entirety of payment for government relations consulting services. They should properly be seen as a 'performance bonus' which rewards an outstanding outcome and are used in many professions.

Clear, transparent and simple 'rules of engagement' for external parties engaging with elected representatives, their staff and public servants are essential. PRIA encourages the NSW government to firstly publish all relevant codes of conduct for Ministers, Members of Parliaments and the full range of government employees and contractors and ensure they are always available for view.

PRIA recommends building a single consistent code and registration regime across the country. A single national Register, incorporating the Commonwealth and state Registers, would help alleviate the need to register in multiple jurisdictions and simplify training requirements. This could also be extended to local government organisations.

PRIA believes the reporting of contact and meetings must be the responsibility of the government representative or employee; it cannot be outsourced to an external party, such as a 'lobbyist'. The public sector itself is better structured and resourced to bear the administrative burden of increased reporting requirements.

PRIA believes that stakeholder advocates should be required to disclose who they are working for or representing. PRIA believes that the current system of registration in NSW collects and publishes an appropriate level of detail.

Since 1949, the PRIA has promoted the principles of ethical standards set out in its Code of Ethics and Registered Consultancy Code of Practice (attached as appendices). We believe our Codes have many features which recommend them as models for a lobbyist code of conduct and we would be happy to discuss them with the Commission at an appropriate time in the future.

About the Public Relations Institute of Australia

The Public Relations Institute of Australia (PRIA) is the peak body for public relations and communication professionals in Australia. The PRIA represents and provides professional support to 3,000 individual practitioners.

Government relations is a key communication role for senior members who work in-house in corporations and not-for-profit organisations or within communication consultancies.

More than 175 consultancies located in all states and territories are registered with the PRIA Registered Consultancies Group. Some of these consultancies are listed on the Federal Register of Lobbyists and many more are listed on state lobbyist registers including the New South Wales Register.

It is a key goal of PRIA to enhance awareness of the important role of public relations and its contribution to open, honest and respectful communication. The Institute also advocates key public policy priorities for the profession and is an active member of the Global Alliance of international communication institutes and the International Communication Consultancies Organisation.

High Ethical Standards

Since 1949, the Institute has promoted the principles of ethical standards set out in its Code of Ethics (attached as Appendix A) and represented public relations practitioners in the best interests of the profession and the wider community.

All PRIA members are required to make a personal, written commitment to our Code of Ethics. All accredited university programs must also incorporate ethics, professional practice, and legal considerations into curriculum and assessment.

PRIA Registered Consultancy members are also governed by an additional Code of Practice covering client relations, fees and income and general practice (see attachment B). All Registered Consultancies are required to ensure that compliance with the PRIA Consultancy Code of Practice and the PRIA Code of Ethics are conditions of employment for all of their practitioners, whether the individuals employed are PRIA members or not.

The PRIA has a nationally-uniform procedure for dealing with allegations of breaches of the Code of Ethics in a professional, rigorous and fair manner. The procedure is made available not only to our members but to all members of the public through our website.

We believe our Codes have many features which recommend them as models for a lobbyist code of conduct and we would be happy to discuss them with the Commission at an appropriate time in the future.

Continuous Professional Development

Continuous Professional Development (CPD) plays a critical role in ensuring high standards of professional practice in the Public Relations and Communication profession in Australia.

PRIA encourages its professional members to undertake a minimum of 20 hours of appropriate study or related activity per year. All Professional members of the PRIA are required to annually confirm that they have met the minimum CPD requirement when renewing their membership.

The PRIA Education unit conducts a comprehensive Australia-wide professional development program which offers specific skills for communicators in the most in-demand specialist areas. Workshops include strategic planning, change management, government relations, public relations writing, media training, professional presentation, digital media and issues management.

PRIA also conducts regular education briefings, webinars, luncheons and breakfasts as well as our annual conference where several hundred professionals come together to discuss a wide range of topics in public relations. A specialist conference for our registered consultancy principals is also conducted each year.

Whilst many of our courses and events include topics related to government relations and advocacy, we have recently commenced the development of a suite of government relations training programs to further enhance the skills and knowledge of our members in this area.

The PRIA has played a key role in the development of public relations at tertiary institutions around Australia. We conduct a rigorous academic accreditation process to ensure university degrees which prepare practitioners for a career in the public relations and communication profession are of a high standard. Currently, 35 degree programs offered through 14 universities are accredited.

Public advocacy work or 'lobbying'

'Lobbyists' perform a legal, legitimate and important role in our democracy; they are engaged in public advocacy on behalf of their clients. More properly referred to as government relations or public affairs practitioners, 'lobbyists' ensure that a wide range of stakeholders have an equitable say in policymaking.

In-house 'lobbyists' can be found in government relations, public relations, public affairs or corporate affairs roles in multinationals, Australian companies and the not-for-profit sector. Senior lobbyist functions are also performed by directors of boards and senior executives.

Through their knowledge of both the public policy process and their employer's or client's business, government relations practitioners can help to voice divergent views, navigate complex procedures and contribute practical insights into policy implementation and impacts.

Government relations professionals are often involved in pro-bono or volunteer advocacy on behalf of not-for-profit, arts, charitable or religious organisations. They are often public-spirited and some are members of political parties and volunteer to work on local election campaigns. The diversity of these interests should not restrict their ability to work in their chosen profession. It is the transparency of their motivations and position around the table when propositions are being discussed which should be ensured.

A number of companies and individuals put their own cases to governments without the support of a lobbyist. However, many others do not understand the government process or have the time or relevant resources to undertake such activities in an effective and efficient manner. Just as lawyers can help a client put their case in the most effective way according to rules of evidence and procedure, government relations professionals can help organisations put their case to government.

A good government relations practitioner can save time and resources for both the government and their clients - particularly on complex regulatory issues. And the PRIA supports the position that their clients have a right to professional advice.

Engaging a third party consultant with knowledge of process and communication or joining an association that employs government relations staff is a legitimate and cost effective way of overcoming the many barriers to engaging in public advocacy. Even when senior executives are familiar with the policy process in general, government relations consultants can add critical detail about the state of debate on a particular policy issue, the current politics which underlie and inform the debate and up-to-the-minute intelligence about what opposing advocates are saying on the subject.

Many government relations consultants spend limited time meeting with elected representatives or public servants. Instead, they spend much of their time educating their clients about the process, the politics and the stakeholders involved and then prepare senior client executives to attend meetings and committee appearances unaccompanied.

Lobbying in NSW – a review by ICAC

The ICAC review and discussion of the regulation of 'lobbyists' does not clearly differentiate between 'lobbyists', the process of 'lobbying' and 'politics'.

The investigation seems to reflect ICAC's concern that high profile former politicians work as policy advisors and advocates. We urge the Commission not to allow the emotive terminology used by some, including those who may have a general distrust of politics, to impact this review.

The PRIA suggests that the key issues in any review of lobbying relate to transparency and openness of government decision making, stakeholder engagement, freedom of expression and the democratic right for every citizen to have a say. The PRIA is strongly committed to both the transparency of representation and transparency of process.

The broad range of daily public advocacy activities within New South Wales does not appear to have triggered this ICAC review. There is no evidence presented in the supporting material that this everyday activity is conducted corruptly, or in an environment conducive to corruption. Therefore, the PRIA urges the Commission to ensure that any recommendations for change to regulation or process do not unfairly diminish access to government and the process of decision making and such change recognises the broad perspectives in which lobbying occurs within the state.

The highly publicised sex and bribery scandal which engulfed Wollongong City Council in March 2008 led to the adoption of the NSW Lobbyist Code of Conduct in February 2009. While 'lobbyists' may have been involved in Wollongong, the Commission found that the 'systemic corruption' there was the result of decisions made by Council employees, who would not have been covered by the Code. As this example shows, corruption occurs when a government representative makes a decision to violate his or her employment agreement and code of conduct and to behave improperly. Without a government representative making that decision, there is no risk of corruption.

Thus, programs within the public service and codes for parliamentary representatives are *the* crucial pillar to minimise malfeasance. Addressing the culture, process and practices of government representatives and employees is a far more effective barrier to limiting any potential for corruptive practices.

Current registration in NSW

The documents released by the Commission do not demonstrate that corruption exists among registered 'lobbyists' in NSW, nor that there is any inadequacy in current registration requirements.

PRIA believes that our members who work as NSW government relations practitioners do so in a transparent, accountable and fair manner. They abide by the PRIA code of ethics and act professionally in accordance with that code.

If further disclosure and reporting is required, PRIA believes that it should be imposed internally within government, not through increased regulation of external parties. For example, we believe the onus of reporting interactions with stakeholders should be fully borne by government.

The importance of public advocacy in a democratic system

The OECD recommends that "countries should clearly define the terms 'lobbying' and 'lobbyist' when they consider or develop rules and guidelines on lobbying." However, the questions posed in the ICAC discussion paper lead in a circular direction, suggesting that 'lobbying' is defined as an activity conducted by 'lobbyists'.

For clarity, PRIA prefers to use the term 'public advocacy' to describe the process by which anyone advocates for his or her position to be adopted as public policy. Focusing on the process of information collection, research and decision making would define the need for transparent representation of various stakeholders. It could also ensure equity of access by stakeholders.

Advocacy is so central to the functioning of a healthy democracy like Australia that there should be as few restrictions placed on it as possible.

Specific discussion points raised by ICAC

What isn't lobbying?

Influence peddling

Many of the examples of corrupt conduct cited by ICAC were not lobbying. The examples cited could have been either corruption or undue, improper influence. This includes an activity known in the United States as 'influence peddling'. The OECD defines it as:

> The illegal practice of using one's influence in government or connections with persons in authority to obtain favours or preferential treatment for another, usually in return for payment.

Influence peddling is a crime in the US, Canada, France, Spain, Portugal, Belgium, Brazil, Argentina and Romania. If the goal is to eliminate the behaviour like that cited in the issues paper, we would respectfully submit that further registration is wholly insufficient. However, we do recommend ICAC consider the legality of 'influence peddling' in New South Wales.

Indirect lobbying is freedom of expression

PRIA would not want to see a government resist citizen access or freedom of speech. For this reason, we are concerned with the implications of restricting 'indirect lobbying' as it indicates that the expression of opinion using a wide range of forums is to be monitored or restricted.

There exists a range of laws regarding defamation, false and misleading advertising etc that could be reviewed to ensure that they support accurate debate. It is important to note, however, that there are often different perspectives on any particular issue. In and of itself, this does not mean that one side represents the 'truth' and the other represents 'a lie'. The core issue in relation to indirect lobbying is transparency of those putting forward their argument.

The PRIA is concerned by the possibility that the definition of 'indirect lobbying' advanced by the Corruption and Crime Commission of Western Australia, over-reaches its target and could impinge on the rights of individuals and organisations to express themselves freely in an open democracy. For example, according to this definition, many of the campaigns of the advocacy group *GetUp!* would be considered 'indirect lobbying.' The PRIA believes that campaigns, both non-profit and commercial, have a clear role in our democratic process.

PRIA urges ICAC to consider the negative effect of limiting the ability of individuals and companies on just one side of the public policy debate. All sides of public policy debate currently use media publicity, advertising and a wide range of social media and direct representation to sway public opinion and shape government policy, and we believe this supports the principles of a democratic system.

Astro-turfing is not grassroots campaigning

Unfortunately, the ICAC discussion paper appears to confuse 'astro-turfing' with 'grassroots communication'.

Grassroots communication is vital to the health of our democracy. Mobilising grassroots support or expressing opinions from diverse publics at the coal face is a legitimising force. Driving grass roots groups and building citizen coalitions is not illegal.

It is only inappropriate to *misrepresent* the amount of support, or not to disclose the true nature of organisation. If any group (commercial or political) over-reaches claims of their representation of grassroots support, this then becomes 'astro-turfing'.

The PRIA has been clearly opposed to 'astro-turfing' for many years – please see appendix C statement from 2006 outlining the PRIA position and associated definitions.

Communicators, including government relations practitioners, have a responsibility of integrity to their publics, as well as to their clients and employers. The PRIA requires members adhere to the highest standards of ethical practice and professional competence including a specific requirement in the Code of Ethics that members shall not knowingly disseminate false or misleading information and shall use care to avoid doing so inadvertently.

Who isn't a lobbyist?

Technical consultants are not different to lobbyists

Creating artificial distinctions between third-party 'lobbyists' and 'technical consultants' blurs the real issues underlying the debate over government integrity and transparency.

The distinction made in the issues paper between 'lobbyists' and 'consultants' is not helpful. Most government relations work is heavily based on providing technical advice and input to governments and government departments at any early stage of the policy development process.

Lawyers, tax accountants, banking investment advisors and town planners often perform the same activities that a third-party 'lobbyist' who does not have qualifications in law, town planning or finance. Any external consultants engaged in the same activity should be subject to the same reporting and regulatory requirements.

It would be inappropriate for a regulatory system to attempt to make such a distinction based solely on educational background and qualifications. The result would be that unregulated consultants would end up carrying out advocacy activities without transparency or accountability (as is the current system).

Restrictions on practice and employment

Appropriate disclosure of interests

PRIA believes that government relations practitioners should be required to disclose the identity of their employer or client. It would also be appropriate to require disclosure of government positions held currently, or during an agreed preceding period.

Government relations practitioners should not in any way be prevented or discouraged from providing their expertise to government committees and boards. To do so would rob the government of a rare and valuable pool of advice. PRIA believes that transparent disclosure of government-funded boards and committees is the most effective form of regulation.

Conflicts of Interest should be declared in a similar way to as required by the *Corporations Act*. In this way, government boards and committees would be required to explicitly report on *competitive interests* and ensure that no member of the board had a *conflict of interest*.

Prohibiting former politicians and political staffers from working as lobbyists would represent an unreasonable restriction on career choice and would hinder mobility between the public and private sectors. Such restrictions would remove some of the incentive to work in politics or government roles.

PRIA believes that disclosure would serve the public interest more effectively than any ban on 'lobbying' as a profession post-politics.

By requiring former office holders, political advisors and senior public servants to disclose their former roles, there would be less chance that a government representative would encounter 'a professional' without knowing it. Disclosure would also serve as a consumer protection measure by ensuring that former political representatives did not make exaggerated or extravagant claims about their political experience.

Where a 'cooling off' period may be warranted (i.e. for ministers and senior public servants), PRIA believes it should be:

1. Consistent across federal and state jurisdictions
2. In line with *Trade Practices Act* and accepted practices on restraint of trade for former employees

PRIA members from companies, not-for-profit organisations and consultancies have expressed concern about unreasonable restrictions that may be placed on their employment of qualified, knowledgeable and experienced professionals.

Australians have a right to work. And while there may be some exclusion zones (as evidenced by restraint of trade covenants which may recognize from 12-18 months in clearly specified areas), people should still be able to work in their area of choice – this should apply to former political staffers, bureaucrats and government representatives.

Impractical regulation of personal relationships

There appears to be a presumption of corruption in the issues paper which ignores the extremely valid and essential nature of public advocacy work. Of particular concern is the following passage taken from page 21:

> *Knowledge of the parliamentary system and the working of public sector agencies is likely to be accompanied by personal relationships and political influence.*

The PRIA believes this comment is misleading and emotive. Are friendships also to be objected to in areas of legal practice? Taxation advice? Industrial relations?

The ICAC statement also ignores the fact that many professionals work across deep political divides. Friendship, enmity or lack of any prior relationship should not be a requirement or limitation of engagement in the advocacy process. Professional competence and conduct should be the focus.

PRIA would not support any move to place limits on one's professional activities on the basis of existing or past personal friendships. We strongly believe in freedom of association and would reject any moves put in place to limit this, especially when working within the democratic structure.

Second, the ICAC statement makes a direct connection between having experience in government and 'political influence.' Clearly this is not true as 51% of individuals on the lobbyist register have no political experience.

Also, public advocacy work (lobbying) is not election campaigning. It is representing the interests of a set of stakeholders in relation to government policies and programs.

Electioneering and political campaigning are a separate area of practice. PRIA urges the Commission to ensure that it is targeting the correct practices, people and regulation in conducting this review.

Undemocratic restrictions on personal political activity

PRIA believes that it is neither practical nor desirable to place restrictions on the private political activities of government relations practitioners.

If the Commission is genuinely concerned about the role of fundraising in politics and electioneering, it should consider this in a separate review.

Privacy of commercial arrangements should be protected

PRIA believes the government has no right to monitor the financial remuneration of government relations consultants any more than it has a right to monitor other forms of private remuneration.

Success fees misunderstood

'Success fees' are widely misunderstood and are reportedly overrated.

The PRIA Code of Ethics states, "Members shall refrain from proposing or agreeing that their consultancy fees or other remuneration be contingent entirely on the achievement of specific results." (Section 6)

Although rarely used by our members, success fees can form a portion but not the entirety of payment for government relations consulting services. They should properly be seen as a 'performance bonus' which rewards an outstanding outcome and are used in many professions.

Codes of Conduct

Consistent 'rules of engagement'

Clear, transparent and simple 'rules of engagement' for external parties engaging with elected representatives, their staff and public servants are essential. At the moment these vary enormously across different government organisations, employees and elected representatives.

Members of PRIA run major campaigns involving government relations across federal, state and territory jurisdictions. Each one has now developed a separate Register and Code of Conduct. This has become quite complex and cumbersome.

PRIA recommends all levels of government in Australia negotiate to determine agreed principles that can operate in all jurisdictions. PRIA further recommends building a single consistent code and registration regime across the country. Government representatives would also benefit from a 'one-stop-shop' approach to the registration of lobbyists and their staff details.

In addition, the different requirements of each state, territory and federal jurisdiction make it extremely difficult to educate practitioners and enforce compliance, especially when running national campaigns.

A single national Register, incorporating the Commonwealth and state Registers, would help alleviate the need to register in multiple jurisdictions. This could also be extended to local government organisations.

Clarity of conduct required by NSW Government

PRIA recommends that all codes of conduct that govern public servants and elected representatives be made available for public scrutiny. This is essential for a transparent system of government decision-making. This would require the public release of the NSW Ministerial Code of Conduct and would bring NSW in line with many other jurisdictions.

A working party could harmonise the behavioural guidelines in each of the codes in a simple to understand document and ensure that they are widely available on the web and included in training programs and key documents.

Queensland public servants recently reported a high degree of anxiety and uncertainty with respect to the multiple regimes they needed to abide by when receiving representations from the public. Australian government relations professionals are experiencing the same anxiety and uncertainty.

Public office holders, political staffers and public servants are currently subject to myriad codes and guidelines concerning their public duties and their interactions with the public. A clear area for improvement would be for the consolidation and streamlining of all rules and regulations into a single, Australia-wide code of conduct for government representatives.

Reporting requirements

Reporting of contact and meetings

PRIA believes the reporting of contact and meetings must be the responsibility of the government representative or employee; it cannot be outsourced to an external party, such as a 'lobbyist'.

The public sector itself is better structured and resourced to bear the administrative burden of increased reporting requirements for the following reasons:

1. Public servants are employees and can be compelled through their employment agreements to report all interactions they have with external stakeholders. They can be compelled to undergo systems training and ensure full compliance with internal reporting requirements and codes of conduct.

2. Government relations consultancies are often small businesses, These organisations cannot afford to bear the additional regulatory burden. The additional costs of running a reporting system on behalf of the government could be too much and lead to them foregoing an opportunity to represent their case to government representatives or employees. A much worse scenario is that it could encourage avoidance of reporting.

3. Government has an interest in analysing the information and so would have an incentive to collect it.

Publication of lobbyist registration information

PRIA believes that stakeholder advocates should be required to disclose who they are working for or representing. PRIA believes that the current system of registration in NSW collects and publishes an appropriate level of detail.

Self-regulation and compulsory associations

The advocates of self-regulation may argue that all lobbyists should be required to be members of a lobbyist association, which would police its membership through an ethics code and some sort of ethics panel.

This model fails to recognise that many professional lobbyists are already members of professional associations, all with their own membership prerequisites, codes of ethics, and continuous professional development (CPD) requirements. Some lobbyists are members of PRIA. Some are lawyers who are typically members of their state or territory law society. Some are town planners who may be members of the Planning Institute Australia. Others may be investment bankers or company directors.

The compulsory association model breaches the basic principle that individuals should be free to join, or not to join, an association. This principle is recognised in workplace relations law; it is also recognised in other fields where professionals are registered by government.

It would be appropriate to require lobbyists on the register to undertake a short course about the requirements of the codes of conduct, reporting regime and regulatory requirements. Professional associations such as PRIA should also be able to provide accredited courses as part of their professional development programs.

It would be equally appropriate for government representatives and employees to receive training either within government or through an external training organisation.

External review and management

One approach to overseeing lobbying would be to remove the register from inside the government and place it in an external authority. This authority may be a registration board with the power to accredit associations for CPD and ethics purposes. The Tax Practitioners' Board (www.tpb.gov.au) is an example currently being used.

Under this model, the lobbyists' registration board would maintain a publicly-available list of registered lobbyists, which could indicate whether they are members of an accredited professional association such as PRIA.

An authority would also be able to review and publish government codes of conduct and could serve as a point of information and expertise.

APPENDIX A

PRIA Code of Ethics

The Public Relations Institute of Australia is a professional body serving the interests of its members. In doing so, the Institute is mindful of the responsibility which public relations professionals owe to the community as well as to their clients and employers. **The Institute requires members to adhere to the highest standards of ethical practice and professional competence. All members are duty-bound to act responsibly and to be accountable for their actions.**

The following Code of Ethics binds all members of the Public Relations Institute of Australia:

1. Members shall deal fairly and honestly with their employers, clients and prospective clients, with their fellow workers including superiors and subordinates, with public officials, the communication media, the general public and with fellow members of PRIA.
2. Members shall avoid conduct or practices likely to bring discredit upon themselves, the Institute, their employers or clients.
3. Members shall not knowingly disseminate false or misleading information and shall take care to avoid doing so inadvertently
4. With the exception of the requirements of Clause 9 members shall safeguard the confidences of both present and former employers and clients, including confidential information about employers' or clients' business affairs, technical methods or processes, except upon the order of a court of competent jurisdiction.
5. No member shall represent conflicting interests nor, without the consent of the parties concerned, represent competing interests.
6. Members shall refrain from proposing or agreeing that their consultancy fees or other remuneration be contingent entirely on the achievement of specified results.
7. Members shall inform their employers or clients if circumstances arise in which their judgment or the disinterested character of their services may be questioned by reason of personal relationships or business or financial interests.
8. Members practising as consultants shall seek payment only for services specifically commissioned.
9. Members shall be prepared to identify the source of funding of any public communication they initiate or for which they act as a conduit.
10. Members shall, in advertising and marketing their skills and services and in soliciting professional assignments, avoid false, misleading or exaggerated claims and shall refrain from comment or action that may injure the professional reputation, practice or services of a fellow member.
11. Members shall inform the Board of the Institute and/or the relevant State/Territory Council(s) of the Institute of evidence purporting to show that a member has been guilty of, or could be charged with, conduct constituting a breach of this Code.
12. No member shall intentionally injure the professional reputation or practice of another member.
13. Members shall help to improve the general body of knowledge of the profession by exchanging information and experience with fellow members.
14. Members shall act in accord with the aims of the Institute, its regulations and policies.
15. Members shall not misrepresent their status through misuse of title, grading, or the designation FPRIA, MPRIA or APRIA.

APPENDIX B

Registered Consultancy Code of Practice

In addition to the PRIA's Code of Ethics, which binds the consultancy principal and all consultants who are members of the PRIA, a **Registered Consultancy is bound by the Code of Practice**.

A public relations consultancy shall not be added to a State/Territory Register of Consultancies of the Public Relations Institute of Australia unless its principal officer in that State/Territory is a Member (MPRIA) or Fellow (FPRIA) of the Public Relations Institute of Australia. State/Territory Directories of Registered Consultancies are available on request from the PRIA and will also soon be available on this web site.

General Standards - A Registered Consultancy:

- Accepts a positive duty to observe the highest standards in its business practice and in the practice of public relations; promote the benefits of good public relations practice in all dealings; and improve the general understanding of professional public relations practice.
- Undertakes to observe this Code of Practice, and any other article or amendment which shall be incorporated into it.
- Adheres to the highest standards of accuracy and truth, avoiding extravagant claims and unfair comparisons and gives credit for ideas and words borrowed from others.
- Employees - A Registered Consultancy: Makes compliance with this Code of Practice and the PRIA Code of Ethics a condition of employment for all its consultants.
- Understands that if it knowingly causes or permits a member of its staff to act in a manner inconsistent with this Code it is party to such action and shall itself be deemed to be in breach of it.
- Shall not directly invite any employee of a client advised by the consultancy to consider alternative employment (an advertisement in the press is not considered to be an invitation to a particular person).

Client Relations - A Registered Consultancy:

- Safeguards the confidences of both present and former clients. It shall not disclose or use these confidences to the disadvantage or prejudice of such clients or to the financial advantage of the Registered Consultancy, unless the client has released such information for public use, or has given specific permission for its disclosure, except upon the order of a court of law.
- Through its principals and staff collectively or individually, shall not misuse information regarding its clients' business for financial or other gain.
- Shall be free to represent its capabilities and services to any potential client, either on its own initiative or at the behest of the prospective client, provided that in so doing it does not seek to break any existing contract or detract from the reputation or capabilities of any consultancy already serving that client.
- Shall represent competing interests only with the consent of all parties.

Fees and Income - A Registered Consultancy:

- Shall not guarantee the achievement of results which are beyond the consultancy's direct capacity to achieve or prevent.
- Shall be free to accept fees, commissions or other valuable considerations from persons other than a client, only provided relevant arrangements are disclosed to the client.
- Shall not knowingly pay fees or give personal commissions which lead to unethical behaviour on the part of others.
- Shall be free to negotiate with clients terms that take into account factors other than hours worked and seniority of staff involved, as long as they do not conflict with the PRIA Code of Ethics. These special factors have regard to all circumstances of the specific situation and level of service required.
- Shall inform a client of any shareholding or financial interest held by the consultancy or any of its principals, shareholders or employees, in any business whose services it recommends or uses on behalf of a client.
- Shall, at its discretion, seek recompense when detailed creative pitches are required, in which instance copyright of the proposal passes to the prospective client whether or not the consultancy is retained, unless otherwise agreed.

APPENDIX C

20 July 2006 - Member update

Where the grass is not greener:
Astro-turfing not an import Australia wants to grow

Astro-turfing, defined as the artificial expression of grassroots efforts, is cute terminology for a serious issue that has been around for decades. The Public Relations Institute of Australia strongly opposes astro-turfing practices and encourages people to check the background credentials and claims of people who say they speak on behalf of many others.

The term 'astro-turfing' is historically rooted in US politics and advertising, explained Annabelle Warren, national PRIA president. "Growth of the internet and email as vehicles for mass communication in the last decade has accelerated the potential for astro-turfing in Australia. Email spam and blogs often claim to represent a number of interests beyond their actual circle.

"Websites are now cheap and simple to set up. The web has made it particularly easy for a small group of people to look like a really large group of activists that may be advocating a specific cause. We urge people not to believe everything they read and we continue to encourage organisations to be transparent and accountable."

Communicators have a responsibility of integrity to their publics, as well as to their clients and employers. The PRIA requires members to adhere to the highest standards of ethical practice and professional competence and there is an explicit requirement in the Code of Ethics that members shall not knowingly disseminate false or misleading information and shall take care to avoid doing so inadvertently'

"We urge all our publics to report any instances of suspected astro-turfing in order that the appropriate action can be taken," Ms Warren said. "It is also noted that such false and misleading behaviour may contravene the Trade Practices Act and other legal codes."

According to the glossary on the website of the University of Texas, the term 'grassroots movement' implies a broad based, deeply rooted sentiment and action among the populace. "An astroturf campaign, by comparison, is artificial – i.e., it may look like the real thing, but it is orchestrated and directed by a few well-placed interest groups.

"In a democratic system, grass roots support is an essential legitimizing force, so political and corporate economic campaigns often subsidize or even manufacture the appearance of grass roots activity to advance particular interests. Thus, the creation of the appearance of grass roots support has gained its own label: astro turfing." *http://www.laits.utexas.edu/gov310/PIG/glossary.html*