

Response to the recommendation made to the Victorian Government by the Legislative Council's Privileges Committee in its 2018 report, *Inquiry into matters relating to the misuse of electorate office staffing entitlements*

Background

The Victorian Government thanks the Privileges Committee for its report and acknowledges the valuable work undertaken by the Committee in inquiring into these matters. In particular, the Government recognises the important role played by the Committee in ensuring the accountability of Members of Parliament on behalf of Parliament and the Victorian community.

Response

The Government's response to the Committee's recommendation to the Government follows.

Committee recommendation	Government response
1 That the Ombudsman's recommendations in relation to the Members' Guide be put in place as soon as possible.	<p>The Government supports the recommendation.</p> <p>The Government has written to the Presiding Officers requesting that the <i>Members' Guide</i> issued by the Presiding Officers be updated to address the recommendations of the Victorian Ombudsman as a matter of priority.</p> <p>The Government has implemented substantive reforms to improve the operation of Parliament in the current term and is committed to further reform. The Government has introduced the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Bill 2017 into Parliament to comprehensively overhaul Victoria's parliamentary salaries, allowances and standards regime. The Government has also introduced a motion to establish a Parliamentary Integrity Adviser to provide Members with confidential advice about the use of allowances and their obligations and responsibilities.</p> <p>The Government's reforms in this term and its commitment to further substantive reform of Victoria's parliamentary standards and integrity and accountability regime are set out in the Parliamentary Standards and Integrity Statement (Attachment A) which form part of this response.</p>

Parliamentary Standards and Integrity Statement

The Parliament of Victoria is a central pillar of our system of government. It is where our elected members make decisions that affect the lives of Victorians—both now and into the future. The success of our democracy relies upon the community having trust and confidence in the MPs that represent them. Reports by independent experts and internal reviews have emphasised that the system for parliamentary standards and integrity is outdated, opaque and inadequate.

The Government has introduced substantive reforms to improve the operation of Parliament. In this term of government, we have:

- overhauled Victoria's political donations regime by introducing Australia's strongest and most transparent political donation disclosure and reporting scheme to restrict the potential for money to improperly influence political decisions, and allow the public to see who is donating to parties and candidates. These reforms have been backed up by new powers for the Victorian Electoral Commission to investigate potential breaches, and tough penalties to punish breaches;
- modernised Victoria's integrity and accountability regime, including strengthening the powers of the Independent Broad-based Anti-corruption Commission (IBAC) by:
 - lowering IBAC's corrupt conduct investigation threshold making it easier for IBAC to commence investigations, including about MPs;
 - expanding IBAC's investigation powers to include corrupt conduct that would constitute the criminal offence of misconduct in public office; and
 - allowing IBAC and the Ombudsman, at their discretion, to provide information to Parliamentary Committees relevant to a potential breach of parliamentary privilege or contempt of Parliament.

In this term of Parliament, the Government has also tried to pass a Bill to:

- establish the Victorian Independent Remuneration Tribunal so that MPs will no longer set their own pay and allowances. This will create a more transparent and accountable framework for parliamentary salaries and allowances, and bring Victoria into line with other jurisdictions;
- clarify and modernise the rules for parliamentary allowances (including introducing compliance measures), which will provide greater guidance and assurance to MPs and the community about the appropriate use of public resources; and
- update and modernise the MP Code of Conduct and Register of Interests so that it meets community expectations regarding parliamentary standards, disclosure and transparency.

The Government has also tried to establish a Parliamentary Integrity Adviser to provide education, training, and confidential advice to MPs about the new reforms and their ethical obligations and responsibilities as MPs. The Government is committed to the swift passage of the Bill, and the establishment of a Parliamentary Integrity Adviser, at the beginning of the next term of Parliament. This Bill will also include an amendment to swiftly deal with the Ombudsman's recommendation to amend section 30(4) of the *Parliamentary Administration Act*.

Rather than a piecemeal or reactive solution, these integrated and comprehensive changes will improve Parliamentary integrity and strengthen public confidence. Our priority is a strong and accountable Parliament and Government to help deliver better outcomes for Victorians.

The Government will continue to identify further reforms to improve Parliamentary standards and integrity.