INTEGRITY AND OTHER LEGISLATION AMENDMENT BILL 2023

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Committee Secretary
Economics and Governance Committee
Parliament House
George Street
Brisbane Qld 4000

By email: egc@parliament.qld.gov.au

Dear Committee Secretary,

Integrity and Other Legislation Amendment Bill 2023

Thank you for the opportunity to provide feedback on the proposed amendments to the lobbying provisions of the *Integrity and Other Legislation Amendment Bill 2023 (Bill)*.

The Property Council is the leading advocate for Australia's property industry, with more than 2,350 member companies nationally. Our members have a long-term interest in the future of our places and spaces, and are committed to creating great cities, strong economies, and sustainable communities.

As outlined in our original feedback from 10 May 2023, the Property Council acknowledges the importance of transparency and accountability in the lobbying process. We welcome the exclusion of peak bodies such as the Property Council from being required to register as lobbyists, recognising the critical work of member-based organisations in working with government to represent the collective interests of their members.

Whilst we acknowledge the proposed intent of the reforms, of concern to the Property Council and its members, is the unintended consequences of the reforms as they are currently drafted. The proposed changes will see many of our members, who regularly engage with government as part of their day-to-day business, now be required to be registered as 'lobbyists'.

Our members are committed to delivering projects that meet the needs of the community, including supporting the delivery of safe and affordable housing in response to the ongoing housing crisis. To achieve this, it is critical our members can effectively work and communicate with all levels of government.

This communication often begins prior to an application being lodged and can continue over an extended period throughout the assessment process to ensure the expectations of the community and government are considered as part of the final project.

Any proposals that would potentially restrict the ability for the property sector to engage with government could result in delays to projects or limit the ability for applicants to deliver projects that align with community expectations.

To this end we provide the following feedback to the proposed reforms. Please note the below feedback focuses on the impacts of Clause 36 as it applies to lobbying activity and does not cover the other elements of the Bill.

<u>The need for greater clarity of who and what activity is captured under the reforms:</u>

- As mentioned above, the exclusion of peak bodies such as the Property Council from the proposed lobbying provisions is acknowledged and welcome. It should be noted however as the property industry's leading advocacy body, our Board and Divisional Council members also work within the development industry, with many working for leading developers.

  On occasion, as part of their role, these Property Council corporate leaders accompany our staff to meetings with government and council representatives to discuss important policy matters on behalf of the broader industry. Additionally, from time to time the Property Council may ask one of our members specialising in a particular discipline to attend a meeting to provide expert knowledge on a topic.

  While they attend these meetings on behalf of the wider property sector, it is unclear if these attendees would be exempt as a representative of the Property Council, or if they would have to register as lobbyists to take part in such meetings.

  Clarity is needed around this provision, and in the event, there is a requirement for our members in this case to register, we strongly oppose the implementation, as it will fundamentally change our ability to advocate for the industry.

- It is noted the definition of a '*government representative*' (section 44), includes a *public sector officer*. Having such a broad definition potentially captures any interaction with government and council officers, including those assessing an application or negotiating an infrastructure agreement. This in turn would potentially require anyone engaging with government on a proposed project to be a registered lobbyist and for all interactions between a proponent and government (council) officers to be registered.

  This provision as it is currently drafted will result in a reluctance from government and council officers to engage with a proponent, effectively removing any communication opportunities.

- The definition of *lobbying activity* (section 42) is overly broad and includes **communicating** with a government representative to **influence decision-making** about planning or the giving of a development approval under the Planning Act 2016.

  The aim of any proponent is to achieve a positive outcome for their application in line with the relevant planning legislation. At times this may require the proponent to explain details of the project or respond to requests for clarification from the assessment manager. In responding to these inquiries, it would be reasonable for the

applicant to speak positively about their project, which under the current definition may be interpreted as a form of influencing or lobbying.

- Section 43 clarifies what is not a lobbying activity, including –

  (i) communicating with a representative in the ordinary course of making an application, or seeking a review or appeal about a decision, under an Act; and

  (k) communicating with a representative in the ordinary course of providing professional or technical services to a person.

  While these exclusions are appropriate, it is noted the examples of professional services included under point (k) includes accounting, architectural, engineering, or legal services, but does not include applicants, developers, or town planners. The Property Council believes these exclusions should be extended to include all disciplines typically involved in lodging and assessing a development application, including (but not limited to) planners, traffic engineers, environmental consultants, acoustic engineers, project managers and development managers.

  Again, without this clarification we are concerned that an unintended consequence of the current provisions would be a reluctance or over-cautious approach to communicating with applicants, which would reduce engagement opportunities and potentially delay projects.

- The current provisions also include communicating with a government representative to influence decision-making of the state government "regarding the development, amendment or abandonment of a government policy or program." This could be interpreted to include engagement with state officers and elected members on matters such as the preparation of a regional plan.

  To be effective, regional plans must be a collaborative process and restricting opportunities for government and industry to communicate could potentially hamper this critical collaboration.

<u>Potential impact on government and industry, including mum and dad investors.</u>

- Given the broad definition of lobbying activity included in the Bill, there is the potential for anyone contacting an assessing officer regarding a development to be captured. This includes mum and dad investors and sole operators who may not be aware of the lobbying requirements, increasing the potential for non-compliance.

  While it is acknowledged simply communicating with a government officer is not considered lobbying (section 43); as outlined above, these proposed reforms have the potential to result in governments taking a cautionary approach by either not meeting with proponents or requiring anyone wanting to discuss a development application to be a registered lobbyist, regardless of the intent of the discussion.

  This would require anyone wanting to discuss an application to undergo the necessary training and maintain their registration as a lobbyist. In the context of the current housing crisis, these requirements have the potential to significantly impact the property industry at a time when delivering product to market is already difficult.

These requirements are likely to be more problematic for small consultants and mum and dad investors undergoing a simple subdivision. Having to maintain the necessary registrations will have a significant impact on these businesses and increase the potential for non-compliance due to a lack of knowledge about the requirements.

As previously stated, while the Property Council of Australia acknowledges the importance of transparency and accountability in lobbying activity, we also recognise the need for open and timely communication between industry and government. On the back of recent legislative reforms that have already made it more difficult to engage with the public service and elected representatives in Queensland, we are concerned these proposed amendments may make engagement even more difficult.

Whether through the increased administrative burden of registering as a lobbyist or through the perception alone, these proposed amendments have the potential to negatively impact the ability of the industry to work with governments to address critical issues like responding to the ongoing housing crisis.

We urge the government to carefully consider the potential impacts of these reforms as we have outlined above. If the reforms are to be delivered in the current form, it would be incumbent to deliver an education and awareness campaign, that clearly outlines the changes in requirements.

The Property Council would welcome the opportunity to discuss this submission in further detail. Please do not hesitate to contact me on [redacted] or [redacted] if you have any further questions.

Yours sincerely

[redacted]

Jen Williams
Queensland Executive Director