Submission No 019



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Committee Secretary Economics and Governance Committee Parliament House Sent via email only: egc@parliament.qld.gov.au

Dear Committee,

Submission: Electoral Legislation (Political Donations) Amendment Bill 2018

Thank you for the opportunity to provide comment to your inquiry into the Electoral Legislation (Political Donations) Amendment Bill 2018 (**Bill**).

About EDO Qld

EDO Qld is a non-profit community legal centre with clients from across Queensland, both rural and urban areas. Our solicitors provide legal advice to over a thousand individuals every year, both through our educational events and in response to specific advice requests by clients. We also provide representation on public interest environment matters. Our legal work covers a range of planning, environmental and resource law topics, including accountability and transparency in governance. A key function of EDO Qld is to provide assistance to the Queensland Parliament and all levels of government in improving the drafting of Bills relevant to EDO Qld's areas of practice, which include ensuring integrity, transparency and accountability in governance.

We urge that the committee consider a recommendation that the Bill be passed. By addressing the risks to our democracy arising from allowing for-profit political donations, this Bill goes the extra necessary step to improving integrity in government that was not provided for in the previous Local Government Electoral (Implementing Stage 1 of Belcarra) and Other Legislation Amendment Act 2018 (**Belcarra Act**), which followed the Crime and Corruption Commission's report 'Operation Belcarra: A blueprint for integrity and addressing corruption risk in local government' (**Belcarra Report**). We consider that the policy behind the Belcarra Act, which limits 'prohibited donors' to property developers and their representative industries, is too limited to have a true impact on reducing the risks of corruption in decision-making processes from allowing political donations.

Below is a summary of our submissions, followed by more detailed submissions and recommendations for further improvements.

We would gladly present before the Committee in any hearing held on this inquiry if desired.

Summary:

- 1. Overall, EDO Qld supports the intent of the Bill as a necessary step in improving integrity in decision making of government by reducing the interests of private profit companies being put before the public interest.
- 2. We suggest that the Committee recommends the consideration of further policies for introduction to make even greater improvements to integrity of governance in our State, as recommended below:
 - 1. that the Committee recommends to government that publicly funded elections be investigated, as a means to truly reduce the risks to integrity surrounding election donations; or
 - 2. alternatively, a cap on expenditure by candidates and other parties for elections (Belcarra Report Recommendation 1) may assist in stopping the constant hunt for donations to support election promotional work and for donors to find ways around the rules. This is in place in NSW currently; and
 - **3.** that the Committee recommends consideration be given to other further options for reducing the risks to integrity surrounding election donations, particularly:
 - a) providing for a 'betterment tax' payable to the government where land zoning benefits a property developer; and
 - b) addressing the revolving door between industry and government, which can lead to inside relationships being used to the benefit of the private sector without due regard being given to the public interest.

The regulation of what constitutes an unlawful electoral donation should be expanded, to prevent industries, such and the mining and resources industries, using political donations to influence government decision-making.

We commend that this Bill provides for prohibitions on for-profit corporate political donations to both State and local governments, in acknowledging that the risks posed by political donations to our democracy are real at both levels of government.

We recommend that the committee consider even further action be taken, in addition to the important initiatives proposed by this Bill, to ensure even greater improvements to the integrity of decision-making in the public interest in Queensland. For example:

- publicly funded elections for State and local governments to reduce the potential for monetary interests and benefits from influencing decision-makers. This may be the most effective means of reducing risks associated with election donations winning favour for private interests.
- a cap on expenditure for elections would be a useful mechanism to increase fairness and transparency around elections. This has been successfully introduced in NSW, and is arguably easier to regulate than prohibiting political donations from certain entities. This would combat the finding of Operation Spicer, the 2016 investigation by the NSW Independent Commission Against Corruption, that even with a ban on political donations, entities are able to find other ways of getting around the particular restrictions in order to provide donations;

- a 'betterment tax' payable to government where land zoning benefits a property developer, in order to reduce the incentive in existence to change zoning to benefit particular developers, and to compensate the community adequately in exchange for the windfall to the developer due to the change in planning regulation; and
- addressing the revolving door between industry and government. While Queensland has comparatively strong restrictions around when a senior public servant/Minister can work as a lobbyist, our framework could be further strengthened by improving the definition of 'lobbyist', for example to include acting for even non-profit entities that represent private industry, such as the sector. This issue is evidenced by the former federal

moving into a lobbying role as the chief executive of **security**, using the strength of his previous position to benefit the resources sector.

Please do not hesitate to contact us if you have any questions or would like to discuss this matter further.

Yours faithfully Environmental Defenders Office (Qld) Inc

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