

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

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

Dear Committee Members,

Submission on the Electoral and Other Legislation (Accountability, Integrity and Other Matters) Bill 2019 (Bill)

Thank you for the opportunity to provide feedback on the Electoral and Other Legislation (Accountability, Integrity and Other Matters) Bill 2019 (Bill).

1. Who we are

The Qld Community Alliance brings together organisations across civil society to work for the common good. We are 36 member organisations across churches, mosques, unions, community organisations, ethnic associations and charities (see membership list attached).

Our Alliance represents 1.7 million Queenslanders and has been recognised by both sides of politics as the voice of organised civil society in Queensland.

Together we listen to the common pressures affecting the members of these organisations, and act on shared values. We develop positive solutions to these pressures, negotiate outcomes with public decision-makers, and hold those decision-makers to account for delivering.

Through this process we act on a range of issues and areas. Some examples of positive solutions that we have fought for and won are:

- World leading social prescribing network to address social isolation in Mt Gravatt & surrounds.
- Establishment of community maternity hubs in Logan.
- Demand Responsive Transport trial in Logan.
- Transport concessions for people seeking asylum living in our community.
- New Labour Hire Inspectors to expose exploitative employment practices for Qld's most vulnerable workers.

This submission is made on behalf of the Leaders Council of the Qld Community Alliance, which speaks for the whole of our Alliance.



In this submission we use the term "civil society" to refer to the values-based organisations that people voluntarily choose to join such as faith institutions, unions, community organisations and charities.

2. Our Concerns

Our Alliance applauds the stated intention of this Bill to make elections fairer, and to limit the influence of big money over politicians in Queensland. However, we hold grave concerns that, rather than targeting the biggest election spenders, the Bill will stifle the advocacy civil society groups. We are concerned this will particularly affect smaller organisations or those who are not intentionally trying to influence an election.

The role of civil society in a democracy is crucial and nuanced. Our Alliance recognises that the basis of a healthy democracy and a healthy economy, is a strong and healthy civil society.

Faith groups, unions and the community sector play an important role in raising issues that are of concern to their membership and the community in an organised way. However, they also have a role in educating their members about issues in society and forming the understanding that their members have. Both these roles need to be respected and upheld.

The Qld Community Alliance has concerns about this Bill both for our own activities as an Alliance, and for many of the organisations that are our members.

2.1 The Bill will prevent charities and small not-for-profits from doing advocacy

The Bill applies a broad definition of electoral expenditure, encompassing expenditure on public communications for the dominant purpose of directly or indirectly influencing voting at an election.

Such a broad definition will capture the regular expenditure of charities used towards participation in public policy debate, research, and public communications on contested policy questions in the lead up to an election.

Furthermore, our conversations with the Attorney General's office, the ECQ and independent legal advice indicate that interpretations of this definition will diverge significantly. This creates uncertainty that means charities and civil society groups are likely to avoid participation in democratic debate on values of deep importance.

Our consultations indicate that the following examples from our work would be considered electoral expenditure:

 Asking the Transport Minister to commit in a public forum to introduce Transport Concessions for People Seeking Asylum living in our Qld community, if within 12 months of a state election.



- Advertising and promoting a petition calling on state government and local council to implement better public transport in the Logan area, if within 12 months of a state election.
- Sending text messages to supporters asking them to attend a public forum where the Premier and Opposition Leader are asked to work with us on addressing problems in vocational training, disability care and exploitative employment.

We also understand that the following examples from our member organisations would be considered electoral expenditure:

- Notices in church newsletters that ask congregation members to consider their church's values
 on the importance of an issue (maternity care, social isolation/connection, workplace rights,
 environmental protection, etc).
- Community centres printing flyers on a given issue that are for reading by volunteers/participants.
- A charity holding and advertising a forum on an issue such as state run aged care.

A. The cap on donations

The Bill limits philanthropic donations that can be used for public interest advocacy work that meets the definition of political expenditure to \$4,000 per donor, over a four year period. Limits on donations to support electoral expenditure will limit charities' non-partisan issue based advocacy in the run up to state elections.

This aspect of the Bill undermines charities' and community groups' ability to stand up for the interests of everyday Queenslanders and the environment. To that extent it undermines the public interest.

In addition it will impact civil society organisations that depend on donations for their general running, by making donors less likely to contribute due to having to sign a declaration if any part of their donation may be used for electoral expenditure.

This will have the impact of further reducing the ability of civil society to engage and connect community members.

B. The compliance burden is prohibitive

The new requirements for handling donations to be used for electoral expenditure--including the notification requirements for donations >\$1,000 to be made by recipient and donor alike, the requirement to appoint an agent and maintain a state bank account, and determining what classifies as electoral expenditure-- are complex, impractical and a significant barrier to advocacy.

We hold grave concerns that the effect of the proposed donation caps and the onerous nature of the new reporting obligations are such that small organisations working on local issues and charities doing advocacy in Queensland will not be able to comply.



As stated above we think that this will have the biggest impact on those spending the least. This creates a perverse outcome where the biggest spenders can afford to comply and the smallest can not, further entrenching the impact of big money.

3. Our Recommendations

Qld Community Alliance support the following amendments to the bill:

3.1 Amendment to the definition of electoral expenditure

Our organisation supports inserting the following subsection to proposed section 199 of the Bill, which defines electoral expenditure:

(6) Expenditure incurred by a third party registered under the Australian Charities and Notfor-profits Commission Act 2012 or with an annual income of less than \$50,000, is only electoral expenditure if material that is published, aired or otherwise disseminated refers to—

- (a) a candidate or a political party; and
- (b) how a person should vote at an election.

On account of both categories of organisation posing a very low risk of being used to circumvent the donation cap to candidates and political parties, the amendment excludes small organisations with an annual income of \$50,000 or less, and charities from the onerous obligations and risk of penalty under the Bill unless they do very specific, clear "vote-shifting" work.

We believe this amendment, by narrowing the definition of electoral expenditure for these two categories of third party alone, is preferable to merely raising the threshold for registering as a third party or raising the donation cap for third parties.

This amendment follows the approach of the narrower Victorian definition of "political expenditure" for third parties, which the Victorian government explicitly stated was designed to protect the right of third parties to pursue social issues advocacy, and the right of donors to fund it.¹ The definition we propose

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¹ The Victorian Electoral Legislation Amendment Bill 2018 Explanatory Memorandum states (Clause 40): It is intended that gifts to associated entities and third party campaigners for the purpose of general issues advertising and awareness raising will not be considered political donations, if the gift is not for the dominant purpose of directing how a person should vote at an election by promoting or opposing a candidate or party. This will ensure the right of donors to be active in social issues, including by giving gifts to organisations that support these issues, without being subject to the limitations provided under the scheme. It will also ensure that third party campaigners are not subject to onerous reporting obligations due to activities that are not for the dominant



here is narrower than the Victorian definition in order to best preserve the intended purposes of the Bill, while protecting the ability of charities and small community groups to pursue social issues advocacy, which we see as crucial.

3.2 Threshold for registering as a third party campaigner should be raised to \$6,000

The current threshold at which organisations must register as a third party campaigner (\$1000) is too low.

The administrative burdens imposed under this Bill are significant, such that some organisations may need to spend more money in trying to comply with the administrative requirements than in actual electoral expenditure around public interest advocacy on their issues.

Such an impact is not only unreasonable, but likely to have a chilling effect whereby organisations decide not to participate in the election debate, rather than face the significant administrative requirements required for a registered third party campaigner.

The threshold for registering as a third party campaigner should be raised to \$6000.00 so as not to prohibit small community groups from participating in public interest advocacy activities around elections.

3.3 Donations that are not related to or used for electoral expenditure should not have to be disclosed to the Queensland Electoral Commission

An amendment to the Bill (section 263) is required to state clearly that donations that are not used for electoral expenditure are not required to be disclosed to the Queensland Electoral Commission.

3.4 Internal communication to members on issues should not be considered electoral expenditure.

An amendment to the Bill is required to state clearly that funds spent on producing internal communications to members such as community centre or church newsletters or union journals are not considered to be electoral expenditure.

purpose of directing how a person should vote at an election by promoting or opposing a candidate or registered political party.

In his second reading speech, the Minister stated: "Advertising and raising awareness about issues, without promoting or opposing a candidate or political party, will not be considered political expenditure. Political expenditure has been defined narrowly in this way, to ensure that all Victorians will maintain their right to engage in public discussion on policy matters that are important to them."



4. Conclusion

We thank you for this opportunity to make a submission. We request that the committee consider us for participation in the public inquiry, due to the large number of impacted civil society groups that the Alliance represents.

То	liaise	with	us	regarding	this	submission	please	e co	ntact	our	Lead	Orgar	niser	D	evett	Ke	nnedy
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Yours Sincerely,

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