

## Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022

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**Submitted by:** Organisation Sunshine Coast Association of Residents (OSCAR)

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Committee Secretary  
State Development and Regional Industries Committee  
Parliament House, George Street  
Brisbane Qld 4000  
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Dear Committee Secretary

**Organisation Sunshine Coast Association of Residents (OSCAR) submission on the Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022**

OSCAR Inc. (Organisation of Sunshine Coast Association of Residents) is the umbrella/peak organisation covering resident and community organisations on the Sunshine Coast and Noosa local government areas (LGAs) in South East Queensland.

We are a non-partisan and a not-for-profit incorporated association.

OSCAR currently has 33 member groups from the Pumicestone Passage to Noosa and from the Coast to the hinterland and ranges.

OSCAR aims to support member organisations by:

1. Advocating to local and state government and the public on policy issues that are of regional significance and of concern to our members;
2. Acting to resolve issues of strategic or region-wide relevance that are referred by member organisations;
3. Representing the member organisations on region-wide matters of interest to the community;
4. Maintaining awareness and responsiveness through frequent and regular ordinary meetings and dialogue with member organisations; and
5. Practising professional, honest and ethical conduct.

Further information about OSCAR can be found on our website at: <https://www.oscar.org.au/>

OSCAR acknowledges and commends the very good work undertaken by the Queensland Government through the State Development and Regional Industries Committee of the Parliament on this complex issue.

Although supporting the Bill overall we do still have some concerns in relation to three specific issues, one of which was commented on in the Explanatory Notes accompanying the Bill. These are: the potential inclusion of costs for office accommodation and paid campaign staff which have NOT been included in the legislation; the individual mayoral cap amounts for larger Councils and the timing of the application of Expenditure Caps.

We remind the Government of one of the Policy Objectives of this Bill:

*“ensure and reinforce the equitable conduct of Queensland local government elections, including by minimising the risk of unequal participation in the electoral process (including uneven financial competition between candidates) and ensuring a fair opportunity to participate.*

*We further remind the Government of the comments made by the CCC*

*“The CCC, in its Operation Belcarra Report, highlighted the findings of various previous inquiries into local government, that ‘even relatively modest amounts of funding can allow candidates to swamp their opponents in terms of media exposure and other promotional activities’ “and*

*“... the CCC concluded that prospective candidates can be deterred from running for council in the first instance, and even if they do contest, may be unable to properly compete with well-funded candidates. This can limit the diversity and quality of candidates who contest local government elections.”*

### **OSCAR issue - Potential inclusion of costs for office accommodation and paid campaign staff**

*“Noting stakeholder suggestions about the potential inclusion of costs for office accommodation and paid campaign staff, as in some other jurisdictions, the Committee also considered that further consultation should be undertaken on relevant inclusions and exclusions prior to the introduction of a proposed legislative scheme. The EA definition specifically excludes expenditure incurred employing staff for a campaign purpose from the definition of electoral expenditure. Further, the definition does not cover expenditure incurred for office accommodation” (Explanatory notes accompanying the Bill)*

This was our response to the Issues paper previously prepared by the Department.

*“OSCAR generally supports the proposal to align the definition of electoral expenditure with the State scheme, **except for the proposed exclusion of office accommodation and staff costs**. There have been incidences where for example, a landowner/landlord supplies commercial office space to a candidate but does not charge commercial rent. This should be declared. Similarly, if candidates have campaign staff in said offices, they should also declare any payment to them.”*

Our position has not changed. We appreciate the aligning of both the LGEA and the State EA, but there are significant differences between State Elections and Local Government elections in relation to accommodation and staff.

In Local Government elections it would be fair to say that very few candidates would have election offices. Where either a Mayoral or Councillor Candidate has office space during an election this should be declared as it is either being funded by the candidate’s election funds or is being provided as a gift (part or full rent) for the term of the election.

An example of such is where a shopping/theatre/office centre, owned by a developer allowed a candidate office space for more than 12 months leading into an election. Under the ban on developer donations such approval would now probably be given by Centre Management, avoiding the developer ban. The amount of rent paid if any, was never disclosed to the electors. Clearly this expense should be included in the Cap for electoral expenditure. Similarly, most candidates in local Government elections have volunteer staff. Where paid staff are used that should also be declared.

An alternative may be to allow any candidate to have undeclared office accommodation and/or staff for the period from when the election is called until Election Day.

By not including accommodation in the election expenditure cap immediately the candidate availing themselves of such an opportunity has a clear advantage over the candidate operating from their home. A similar advantage applies re the use of paid staff.

It could be seen that the Bill is encouraging more “party political” and “groups of candidates” nominating for election as opposed to genuine community independent candidates.

Just as Brisbane City Council Election caps are different from all other Local Government Areas, the LGEA Bill amendment could make a difference in the accommodation/paid staff issue, while predominantly maintaining parity with the intent of the State Election Act.

### **OSCAR ISSUE - individual mayoral cap amounts for larger Councils**

*“Individual mayoral candidates - cap amounts The Bill (refer clause 41, new section 123D) provides for caps (rounded to the nearest \$10) for individual mayoral candidates in local government areas other than Brisbane City Council as follows:*

- *\$30,000 for areas with not more than 30,000 electors*
- *a sliding amount of 1 dollar per elector for areas with more than 30,000 and not more than 150,000 electors*
- *a sliding amount of \$150,000 plus an additional 50 cents per elector for each additional elector over 150,000 for areas with not more than 200,000 electors*
- *a sliding amount of \$175,000 plus an additional 25 cents per elector for each additional elector over 200,000 for areas with more than 200,000 electors. The cap for individual mayoral candidates in Brisbane City Council is \$1.3 million”*

We include our comments from our the May 2022 submission on Local Government Election Expenditure Reforms which we maintain are still reasonable and fairer than what is proposed for Mayoral Candidates in the current Bill Amendment.

*“The Department of Local Government, Racing and Multicultural Affairs (DLGRMA) proposed a maximum figure of \$100,000 for Mayoral candidates, while the Local Government Association of Queensland proposed a maximum figure of \$200,000 for Mayoral candidates.*

*OSCAR supports a maximum figure of \$150,000 for Mayoral Candidates scaled from \$30,000.*

*Given the size of Brisbane City we suggest a figure of \$200,000 is appropriate for this LGA.*

*Given our analysis of the 2020 LG Election expenditures it would appear that election spending for the majority of candidates in the 2020 Local Government elections was significantly below the caps proposed by the State Government in this current consultation.*

*OSCAR appreciates that the 2020 elections were held post the banning of developer donations. However, it would also appear that the decrease in spending did not impact the effectiveness of the election.*

*Sadly, neither the DLGRMA’s maximum figure of \$100,000 for mayoral elections or the \$200,000 figure proposed by the LGAQ (or something between the two) are affordable for most potential candidates and therefore increasingly this mean only the wealthy or the very well-funded will be able to contest mayoral elections with any prospect of success.*

*One unintended consequence of this might be more party aligned candidates standing for mayoral positions to take advantage of financial support from their political party and this is something OSCAR is very opposed to as we believe local government should be free of party endorsed/funded candidates in the majority of councils in Queensland where this is not already the case.” OSCAR submission”*

### **OSCAR Issue - period of time to which the electoral expenditure caps apply.**

In our May 2022 submission we recommended the full term of a Council should be the time to which the expenditure Caps apply. We would still maintain that position but we accept the provision as included in the Bill as outlined in the Notes accompanying the Bill –

*“However, the Bill also provides that if electoral expenditure is incurred to obtain goods for the dominant purpose of being used for a campaign purpose in relation to one or more elections and the goods are supplied before the capped expenditure period starts, the expenditure is taken to be incurred when the goods*

*are first used for a campaign purpose during the capped expenditure period. This applies regardless of when the amount of the expenditure is invoiced or paid''*

OSCAR is supportive of the remaining components of the Proposed Bill Amendments and again congratulates the Committee and commends this Bill to the Parliament, with we hope some changes as per the two key issues we raised but not resolved in the Amended Bill.

In addition to our comments and as a member of the SEQ Community Alliance we support their comments relating to **Reporting and Review** as noted in their response as follows:

### **Reporting**

*If the objectives of this legislation are to be fully achieved, it is important that information about the actual expenditure of election participants is readily accessible.*

*In addition to making disclosure returns available on the ECQ's Electronic Disclosure System, we request that the ECQ be required to publish publicly a final report for each election which includes the total expenditure by each election participant.*


*This report deadline for publication of this report should be included in the legislation and the deadline should be set reasonably such that there has been time for election participants to complete their disclosures plus a reasonable amount of time for ECQ to complete its follow up activities and then compile a report.*

### **Review**

*If enacted, the legislation should be the subject of a formal review by the responsible parliamentary committee. This review should be commenced within 12 months of the 2024 election date and any appropriate legislative amendments should be enacted at least 12 months before the next (2028) local government election date.*

We thank you for this further opportunity to comment on the proposed Bill.

Yours sincerely



Melva Hobson PSM  
President

Organisation Sunshine Coast Association of Residents Inc. (OSCAR)