




Speech By
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MEMBER FOR WARREGO

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LOCAL GOVERNMENT ELECTORAL AND OTHER LEGISLATION (EXPENDITURE CAPS) AMENDMENT BILL

 **Ms LEAHY** (Warrego—LNP) (12.03 pm): I rise to contribute to the debate on the Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022 and I welcome the Deputy Premier's first local government bill this term. The LNP supports integrity and transparency in government, and that includes local government. It is important that our local government elections are fair and free from undue influence. This legislation has had a long path to make it to the parliament. With many reports and examinations of electoral expenditure laws prior to this legislation, many of the concerns should be addressed. However, the Palaszczuk Labor government has some history when it comes to electoral laws governing local government. At one stage there was Labor's policy to change the voting system from optional preferential to compulsory preferential for local government. There was also the runner-up laws that had to be rescinded as they were on track to deliver a mayor nicknamed 'Pineapple' to the good citizens of Rockhampton. The LNP is well aware of some of Labor's shortcomings on local government electoral laws in the past. However, the LNP opposition will not oppose the bill. We will, however, be moving an amendment for a review of these laws in the future.

With new legislation such as this, it is important to deal with any unintended consequences. It is often only when the legislation is tested in practice that these consequences become apparent. The 2024 local government elections will certainly give that test to this legislation. If the 2020 local government elections are any guide there is certainly a need for a review, and I draw the attention of the House to the *Inquiry into the Electoral Commission of Queensland's online publication of the preliminary and formal counts of the votes cast in the 2020 quadrennial local government election and the Bundamba and Currumbin state by-elections held on 28 March 2020*. As such, the LNP believes it is important to have a review of this legislation by the relevant parliamentary committee within 12 months of the 2024 local government elections. We agree with the committee recommendation. However, this should go a step further and we wish to see this expressed in the bill.

No doubt people will ask why place this in the law? This is because local government has been caught out with reviews that have been promised but not delivered, and I refer to the review of the amendments that were promised in 2018 with regard to the urgent amendments that gave the minister the power to dismiss or suspend councillors or councils in consultation with the LGAQ. In 2018 the parliament was told the government would review the amendments within the next two years. Again, this government has been slow to act and local governments are still waiting for this review. Reviews need to be in the law, not just in the *Hansard* and not just in the committee recommendation. The deadlines on reviews need to be clear because all too often this government leaves local government waiting. As a matter of interest, local governments have been waiting 600 days for the promised reform to conflict of interest laws from this Palaszczuk Labor government, and I table a copy of the LNP amendment.

Tabled paper: Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022, amendment to be moved by Ms Ann Leahy MP [496](#).

Tabled paper: Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022, explanatory notes to Ms Ann Leahy's amendment [497](#).

Tabled paper: Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Bill 2022, statement of compatibility with human rights contained in Ms Ann Leahy's amendment [498](#).

I also note the government's amendments to the Residential Tenancies and Rooming Accommodation Act, and those amendments will be dealt with by the shadow minister for housing.

This legislation is a result of the Belcarra recommendations—namely, recommendation No. 1. It states—

That an appropriate Parliamentary Committee review the feasibility of introducing expenditure caps for Queensland local government elections. Without limiting the scope of the review, the review should consider:

- (a) expenditure caps for candidates, groups of candidates, third parties, political parties and associated entities
- (b) the merit of having different expenditure caps for incumbent versus new candidates
- (c) practices in other jurisdictions.

At the introduction of the Electoral and Other Legislation (Accountability, Integrity and Other Matters) Amendment Bill 2019, the Legislative Assembly also resolved that the committee, when considering the bill, also consider recommendation 1 from the Crime and Corruption Commission Operation Belcarra report. This was to look at the feasibility of introducing expenditure caps for Queensland local government elections, with a view to the model commencing after the 2020 local government elections.

The proposed caps made an appearance in the Department of Local Government, Racing and Multicultural Affairs local government reforms in March 2019. There was also the issues paper that proposed compulsory preferential voting in local government elections proposed as government policy. However, that reform to introduce CPV to council elections was a party political, not a CCC, recommendation or even a recommendation from the Soorley review of the 2016 local government elections, and I recall that that proposal ended up with the Labor government being caught out in its attempt to rig the voting system for local government elections for Labor's advantage. It was a dodgy approach that saw the government fall on its sword and withdraw the legislation.

CPV has been resoundingly rejected by the local government sector and this Labor government should listen to that strong stance. The reforms progressed to the Economics and Governance Committee for consideration. I want to thank the Economics and Governance Committee members for their report No. 47 which made seven recommendations. The government supported the seven recommendations in principle. After further policy development and consultation, they released a discussion paper on 19 April 2022, local government electoral expenditure caps and invited stakeholder feedback by 27 May 2022. The LNP at a state and Brisbane City Council level raised concerns about the unions being able to outspend a lord mayoral candidate 400 to 1 in that time. Having made changes prior to the introduction of the legislation, that imbalance now rests at 26 to 1. As I said, there have been a few rehearsals to where we are today.

I would like to thank the State Development and Regional Industries Committee members from both sides of the House for their consideration of the bill. I would also like to thank the submitters who made submissions to the bill through the committee process and the departmental staff who briefed the LNP. The bill amends the Local Government Electoral Act, the Local Government Act 2009 and the City of Brisbane Act 2010 to establish an electoral expenditure caps scheme for local government elections. Key features include: local government electoral expenditure caps for councillor and mayoral candidates, groups of candidates, registered political parties that endorse a candidate in an election and third parties—registered and unregistered. The legislation enables ECQ to decide and publish enrolment figures for local government areas and divisions and the corresponding caps. There are amendments to the purpose of the Local Government Electoral Act for consistency with the purpose of the scheme. It enables the prescription of certain offences as integrity or serious integrity offences under the Local Government Act and the City of Brisbane Act and general alignment with state electoral requirements under the Electoral Act 1992 related to a number of provisions as outlined on page 4 of the explanatory notes.

The proposed caps for mayors and councillors are outlined in the bill and the explanatory notes. The bill provides for registration of third parties and for a sliding scale of electoral expenditure caps for Queensland local government elections, with reference to the number of electors in the relevant division or local government area. As Brisbane City Council's election environment differs from other Queensland local government areas, the sliding scale does not apply to Brisbane City Council, for which the caps are a fixed amount. I note there is a sliding scale amount of \$1 per elector for areas with more than 30,000 electors and not more than 150,000 electors for mayors but not for councillors. The four undivided councils—Gladstone, Mackay, Noosa and Toowoomba—are categorised as band 3 and

council candidates have a cap of \$30,000. Toowoomba has 115,000 electors and is covered by three state electorates. There is an anomaly in the case of these four large, undivided councils. In Toowoomba, for example, there are over 115,000 electors. Therefore, one council candidate can spend only \$30,000 in an area covering nearly three state electorates, while a state independent candidate in one of these seats can spend \$90,000 each.

There is not much alignment of the local government scheme with the state scheme, which is one of the policy objectives of the bill. This legislation leaves the door open to incentivise groups to pool and share resources in these council areas and subsequently attempt to manipulate the electoral system. The outcome could be a politicisation of regional local government in a way that it has never been politicised before. This is not fairness or integrity in the electoral system for local government or the community. I suggest to the government that in those four councils in band 3 councillor caps need some closer attention.

Touching on some of the concerns raised by submitters, the LGAQ generally support the policy framework settings adopted in the bill, but made six recommendations: to amend and clarify that council communications are not electoral expenditure; the capped expenditure period be extended to the entire four-year term; an evaluation of group cap pooling be undertaken as part of the statutory review; consideration be given to cap differences for divided and undivided councils as part of the statutory review; the issue of when an elector number determination is made be considered as part of the statutory review; and the state government include a clause to ensure a statutory review is held within the first 12 months after the 2024 local government elections. Councillors expressed concern that the pooling of group caps may lead to a disadvantage to individual 'independent' candidates and suggested that candidates should prove that they are seriously running candidates. The Queensland Law Society were generally supportive of the bill but raised the issue that the definition of electoral expenditure can be changed by regulation which, in their view, did not have sufficient regard for the institution of parliament.

In the statement of reservations the opposition raised concerns that the expenditure caps will not be enough for council candidates campaigning in undivided local government areas, especially those that cover vast, remote areas in Queensland's regions. The electoral expenditure of a candidate would be stretched across an entire LGA rather than focused on a specific ward or division, as is the situation with a divided LGA. Some large, undivided councils could have as many as 16 media markets when taking into account the many different local newspapers in the area.

It is also very interesting to look at these expenditure caps on a per capita basis. The electoral caps for both mayoral and councillor candidates have revealed some very interesting results. I am pleased that the minister mentioned the Diamantina Shire Council as I will also mention it. The highest level of expenditure for mayors per person was in the Diamantina shire where a mayoral candidate could spend \$181.82 per elector and the lowest was in the Gold Coast where the mayoral candidate can spend 57 cents per person. A councillor candidate in the Diamantina shire has the highest per person spend of \$90.91 and the lowest is 26 cents in the Toowoomba Regional Council. A councillor candidate standing in the Diamantina Shire Council can buy two cartons of beer with a 'vote 1' on it for each constituent but a councillor candidate standing in the Toowoomba Region council cannot even buy a Freddo frog with 'vote 1' on it to hand out to elicit votes.

As I mentioned earlier, the publication of the preliminary and formal counts of the votes cast in the 2020 quadrennial local government election was found to be lacking by the Legal Affairs and Community Safety Committee. This was a scathing assessment of the 2020 local government elections. Report No. 66 outlines the underlying problems experienced by the Electoral Commission in the 2020 local government elections especially with the presentation of data on election night. The committee notes submitter concerns about the delay in posting updated results to the ECQ website on election night and subsequently, and the ECQ's acknowledgement that this delay was unacceptable. The government do need to appropriately resource the ECQ to do its job and to provide timely training to all local government candidates. Confidence is important for future elections and confidence comes from the actions and ability of the ECQ to deliver in a timely manner that meets the expectations of candidates and the community. As a result of this legislation ECQ's workload will increase and for fair elections the ECQ need to be resourced appropriately by this Labor Party government.

The opposition will keep a watching brief in the forthcoming budget and in the lead up to the 2024 local government elections as there is much training and information that needs to be provided to mayoral and councillor candidates. Local governments pay the ECQ for the conduct of the local government elections and the LNP will be keeping a very close eye on the costs of the 2024 local government elections.

I hope this legislation is not a repeat of the issues that we have seen where the intent of the legislation as outlined by the government and the department is out of step with the agency doing the implementation. We have seen that happen with the department and the Office of the Independent Assessor.

Local governments do not want to see history repeating itself with this legislation whereby the legislation is quite clear yet is interpreted differently by another agency. The LNP will continue to engage with the local government sector and monitor the changes that are brought forward by this legislation. I look forward to listening to the contributions of all members during the debate on the bill.