



ABN No: 57904 701 145

"Building Better Lives"

The President,
Logan East Community Neighbourhood Association Inc.
53-57 Cinderella Drive, Springwood Q. 4127

Ph: [REDACTED]

Email: [REDACTED]

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

Submission on the Electoral and Other Legislation (Accountability, Integrity and Other Matters) Bill 2019 (Bill) from the Management Committee of Logan East Community Neighbourhood Association, Inc. (LECNA).

6th January 2020

Dear Members,

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

Logan East Community Neighbourhood Association, Inc. (LECNA) operates the Logan East Community Neighbourhood Centre located at Springwood in Logan City. We are the only funded community centre in Logan on the eastern side of the Pacific Highway. Our operations serve people throughout the northern and eastern suburbs of Logan and some of the southern suburbs of Brisbane. Some of the services we offer have a state-wide reach. As a community centre we see our core business as being community building and community development. We are about bringing people together to do four kinds of thing:

1. Help each other, especially those in the community who currently have special needs. We all have special needs at certain times and in certain circumstance.
2. Pursue their interests and do things together that they enjoy.
3. Have a voice in democratic processes of the community – Having a say in decisions that affect them. Advocating and campaigning for what they think is best for their families and their community
4. Learn and grow together, building their social capital and ability to do the things they want to do and to make a contribution to the community and society

We applaud 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 of small community groups and charities like ourselves. As can be seen from the statement of purpose above at LECNA we regard this as a core part of our *raison d'être*.

Whilst we appreciate the opportunity to give feedback on this Bill we have great concern about the timing and length of the consultation period coinciding as it does with the Christmas and New Year holiday period and the run up to it. We feel that this will have seriously impaired the ability of many organisations to coordinate a suitable response. It has certainly made this process difficult for LECNA.

Preventing 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, like ourselves, used towards participation in public policy debate, research, and public communications on contested policy questions in the lead up to an election. At LECNA we have in the past tried to generate public awareness and debate over issues such as improved public transport and maternity services in Logan and through that to encourage legislative and government policy change in these areas. At the current time we are parties to campaigns advocating for improved funding for community neighbourhood centres and for increased support for the provision of No Interest and Low Interest Loans at centre like ours to mitigate the negative impacts of high interest pay-day lender by the Queensland Government. We envisage the proposed legislation as it currently stands would view these activities as “electoral expenditure”. Our current understanding is that the proposed Bill as it currently stands would interpret any spending on this kind of activity as “electoral expenditure”.

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 and to that extent undermines the public interest. LECNA relies on donations for a significant part of its income. They are commonly used to fund the full range of our community building and community development activities

including bringing people together to have a voice in the democratic processes of the community. We see this as making a positive contribution that is highly appropriate for a civil society institution.

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 envisage that if implemented these provisions of the Bill will place a significant extra administrative burden upon LECNA and those who donate to us. We fear that in some cases it would discourage organisations and individuals from supporting our work in the community.

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.

Logan East Community Neighbourhood Association, Inc. (LECNA) supports the following amendments to the bill:

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 Not-for-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—

- (d) a candidate or a political party; and
- (e) 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 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.

2. Threshold for registering as a third party campaigner should be raised

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. 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.

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 organisational journals are not considered to be electoral expenditure

Signed:

Date: 6th January 2020



Stephen Roger Marshall, Ph.D.

President of Logan East Community Neighbourhood Association, inc.