Urban Taskforce
AUSTRALIA

15 August 2024

The Hon Peter Primrose MLC
Chair
Joint Standing Committee on Electoral Matters
Parliament House
Macquarie St
SYDNEY NSW 2000

Dear Mr Primrose

Re Inquiry into voter engagement, participation and confidence

I write in relation to the Committees inquiry into ways of boosting voter engagement, participation and confidence.

The Urban Taskforce is a non-profit organisation representing Australia's most prominent property developers and equity financiers. We provide a forum for people involved in the development and planning of the urban environment to engage in constructive dialogue with both government and the community.

Urban Taskforce believes that a cornerstone to a healthy democracy should be the expectation of citizens that political representatives need to be transparent and accountable. Political donations risks undermining that confidence by creating a perception that politicians and even public servants will give undue weight to the interests of donors rather than the merits of specific issues.

The current prohibitions by casting aspersions on particular categories of organisations and individuals and invariably impact the way in which the concerns of these groups are viewed throughout the community. It casts a pall over the integrity of certain industries and the merits of interests raised by them.

According to the NSW Electoral Commission, a prohibited donor is:

- a property developer
- a tobacco industry business entity
- a liquor or gambling industry business entity, including a registered club if the business undertaken by the registered club includes wagering, betting or other gambling
- any industry representative organisation if the majority of its members are such prohibited donors
- a close associate of a prohibited donor.

When it comes to defining a property developer, the NSW Electoral Commission a 'property developer' is an individual or corporation that:

- carries on a business mainly concerned with the residential or commercial development of land, with the ultimate purpose of its sale or lease of the land for profit, and
- in the course of that business:
    - one relevant planning application has been made by or on behalf of the individual or corporation that is pending
    - three or more relevant planning applications have been made by or on behalf of the individual or corporation and determined within the preceding seven years.

Urban Taskforce notes that such a definition could catch a private landholder who sought a number of developer approvals in the course of improving their own land holdings. Is that part of the intent of the current rules?

So as to improve the broader public's confidence in the transparency and even-handed approach to those who can or cannot donate to political parties, Urban Taskforce maintains that no corporation should be allowed to make political donations.

Recommendation 1: that the Committee recommend the banning of all political donations by corporations

Individuals should still be allowed to donate subject to the prevailing caps. The profession or background of the individual should not have any bearing on whether an individual can donate or not.

Banning individuals is a direct assault on the freedom of expression and the freedom of speech. Why should political fundraisers be open to all members of the public except certain prohibited donors? It is of considerable concern that whilst a racist, an extremist, a criminal can still participate in the political process and make a political donation, yet those associated with the delivery of residential, commercial or industrial development, or finance such activities, or even a close associate, are excluded.

Ironically, a situation exists in NSW where those opposed to property development or a particular development(whether they be a corporation or an individual) can still make political donations. This disparity should not exist in a fair and free political system.

An unintended political consequence of prohibiting property developers from making any donation to political parties is that the NIMBY (Not in my backyard) movement's political power was significantly increased, with disastrous consequences for housing supply.

An individual should be free to participate in the democratic process. It is up to Parliament as to the caps imposed on individual contributions. But it is difficult to see a situation where a donation of $7,900 donation (the 2024-25 cap on donations to a registered party or group of candidates) could 'buy' a political outcome

Recommendation 2: that the Committee recommend that any individual can make donations, subject to the prevailing caps and regardless of the background or profession of the individual.

Should any Committee member wish to discuss matters relating to this submission, please contact Head of Policy, Planning and Research, Mr Stephen Fenn on 9238 3969 or via email stephen@urbantaskforce.com.au.

Yours sincerely

Tom Forrest
Chief Executive Officer