Council Agenda item 7.2

25 August 2020

Notice of Motion: Cr Jackie Watts, Electoral Transparency, Donations

Motion

1. That Council:

1.1. Acknowledges that in order to promote greater transparency and public confidence in Council decision making post-election, it encourages all candidates seeking election to undertake the following voluntary steps prior to the 2020 elections:

- 1.1.1. Decline to accept donations, either in cash or in-kind, from persons who personally own or hold controlling interests in companies that actively engage in the property development industry or derive gambling income in Victoria or any entity trading in the tobacco or gambling industry sectors.
- 1.1.2. Disclose any donation and/or in-kind gift within five business days of receipt to counter the lack of transparency within the current legislation that mandates candidate donations are only disclosed 40 days after the election.
- 1.2. Notes that as a service to constituents, the publisher of Docklands News/CBD News/Southbank News has agreed to accurately record disclosed information provided by candidates via the email address admin@hyperlocalnews.com.au

Background

- 2. In 2019 IBAC took the unprecedented step of announcing public hearings into allegations of serious corrupt conduct in relation to planning and property development decisions at the Casey City Council. This involved consideration of whether planning and property development decisions at the council have been improperly influenced through donations, gifts, pro bono services or other hospitality and other forms of payment. IBAC considered the role of professional lobbyists. To ensure that the donation reforms incorporate IBAC's findings, no reforms have been incorporated into the *Local Government Act 2020*. Therefore legislative change in relation to donations is unlikely to occur in Victoria before the October 2020 municipal election.
- 3. Where legislation does not mandate donation transparency, then Councillors in this State Capital City have an obligation to voluntarily act in an exemplary manner in order to mitigate against the pernicious impact of donations which makes Councillors vulnerable to pressure and unable to make objective decisions.
- 4. All too often throughout any Council term, Councillors relinquish the right to vote on behalf of constituents because of a direct or indirect conflict of interest related to campaign donations they have accepted. This sometimes results in a loss of quorum, which effectively prevents the remaining non-conflicted Councillors from voting to properly represent constituents. Should Councillors be reelected, such donation conflicts continue for 5 years after the initial donation. Not only do such donations impair the proper functioning of Council but also they erode public confidence in the electoral system.
- 5. This motion presents an opportunity for Council to show leadership in the municipal sector in relation to sources of campaign donations from those industry sectors identified as problematic. In 2015 New South Wales (NSW) acted to prohibit the property development, tobacco and gambling industries from making campaign donations. See NSW Election Funding, Expenditure and Disclosures Act 1981 Division 4A, which covers prohibition of donations from property developers or tobacco or gambling industries.

Moved by: Cr Jackie Watts

Seconded by: Deputy Lord Mayor Arron Wood