## INQUIRY INTO ELECTORAL AND POLITICAL PARTY FUNDING

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## Submission by Graham P Lewis

## Background

It is my view that politicians generally, at both State and Local Government levels, are being viewed with increasing cynicism by most electors and by the community generally. The prime reason is that examples abound where the interests of ordinary citizens appear to be belittled or disregarded in favour of the interests of those seen as wielding undue influence over politicians.

The single most significant factor in this unfortunate trend is the growing evidence in our suburbs, in coastal towns, and indeed all around us, of planning decisions that tend to degrade the amenity of existing residents. Moreover, by the great difficulty that such residents meet in having their reasonable concerns addressed – such concerns including the adverse impacts likely to be caused by an adjoining or nearby property development upon:

- 1. their privacy and solar access;
- 2. the neighbourhood's traffic and parking;
- 3. the neighbourhood streetscape;
- 4. the heritage values of the neighbourhood;
- 5. the ability to cope with increased demands on aging local infrastructure, such as roads, drainage, sewerage, water reticulation, telecommunications; etc; and
- 6. the contribution of all these factors in degrading not only resident amenity, but the values of affected homes.

A range of the above matters can be addressed, to some extent, by local councils, but usually their ability to address them is significantly constrained by State mandate. Much of that mandate has been implemented without going before Parliament, and is effectively no more than ministerial mandate, usually without any attempt to provide any rationale that can stand serious scrutiny.

Councils are given a ridiculously short 40 days to respond to development applications, regardless of the size or complexity of an application. Notifying affected residents takes time, and most residents have significant difficulty in getting to grips with the implications of plans for a proposed nearby development, let alone getting to grips with the rules applying to particular development and expressing their concerns in an effective way. Expert advice is often needed, and time to consult with other neighbours, retain such advice and draft appropriate submissions. The 40-day limit stacks the odds against neighbouring residents.

Conversely, neighbouring residents will regard the odds as stacked in favour of developers. And the reluctance of most councils to defend resident concerns, to the Land & Environment Court if necessary, merely reinforces this perception. Indeed, developers often appear to play upon this reluctance by their contrasting threats to resort to court action.

When residents buy their homes they are usually making their single greatest investment. They choose carefully, not just for "value for money", but particularly for the heritage, streetscape, lifestyle and other amenity aspects that appeal to them. They generally expect their investment to

satisfy them into the long term, and often make further significant investment in their homes in order to enhance amenity and value. They expect their local council and State government to provide a stable framework within which that amenity and value can be maintained and protected.

Changes in planning rules or zoning are usually therefore greeted with concern if not dismay. Particularly if those changes are being thrust upon a community prepared to play its full part in housing the increasing population, but not allowed to do so in ways that largely protect local heritage, streetscape etc.

It is disingenuous to characterise such reactions as mere NIMBYism. While undoubtedly some such reactions are, most thinking residents *do* want to play their part. They just don't want to be treated as if their own views and circumstances are irrelevant. And they certainly get very narked if the outworkings of change are reduced property values, without compensation.

It is not surprising, then, that residents should speculate on the reasons for the framework in which their concerns are addressed being so stacked against them. They don't have to look far, when newspapers regularly juxtapose the heavy donations of property developers to major political parties, and decisions about zoning and other planning matters that, while often represented as being of assistance to "Mums and Dads", are in fact generally tilted heavily in favour of the interests of developers, and particularly of major developers.

Such concerns are reinforced regularly in very specific terms. Take, for instance, this extract from ABC TV's "Stateline" programme of 27 April 2001, which dealt with former Prime Minister, Paul Keating's highly publicised criticism of developer donations:

Triguboff: "I think [Keating]'s exaggerating the problem, because as you know there are very, very few cases where anyone was accused of using undue influence. Very few cases. And the amounts that we give are very small. When I build 2000 apartments maybe my contributions are only for quarter of an apartment – that's nothing. And I give to both parties and both parties know that I give to both."

Dempster: "Yeah, but come on! – you give more money to the Labor Party than you do to the Liberal Party, because the punt is that they're going to be the winners!"

Triguboff: "Unfortunately, the Liberal party is very weak – I agree with you. And so it goes . . . Next time it might be the other way, I don't know . . . I don't do it from great political conviction – I think that the advantage I get out from it – I get more involved with politicians who don't know enough about planning. When I get involved with them a bit more I tell them my problems. I think that's for the good of everyone because I put – my problems are every other builder's problems as well."

Dempster: "But what you do get is 'access', isn't it? You can pick up the phone and get onto Bob Carr and you get straight through?"

Triguboff: "More or less, yes, I can, but I don't do it often, I do it very seldom."

Dempster: "Well he can't help you with the drains or the road access problems you might be having, but what do you say to him when you call him?"

Triguboff: "I would call him to say, for instance, that the way I can get that approval for that development makes it uneconomical and then I'll explain to him why I think so and why the council is wrong, and why the policy has to be changed for everybody, because I don't go there just for myself – just for that instance – because it might occur to me in my case again anyway, so I really fix up for everyone – especially for me of course, where I am involved!

"I think that is very important. I am very lucky that he was a Planning and Environment Minister before, so he understands my problems very well."

Dempster: "But Mr Triguboff, through your record of party political donations haven't you in fact bought your influence?"

Triguboff: (Stutters) "I don't buy my influence. I just go and actually spend a lot of time with the town planners in Planning and Environment. I'm not talking about the chiefs or the directors. My people that

speak to them regularly on every level and I am sure that we have a lot of influence – and I hope so – but I am also sure that it's for everyone's good."

The "access" and "influence" illustrated above may be contrasted with the general lack of "access" and "influence" afforded affected individuals and local councils with the Planning Minister and his Department. They have no budget to compare with Triguboff's "nothing" and see such donations as disenfranchising them from obtaining a proper hearing; and as tainting the political process, if not adding a whiff of its corruption.

## **Improving Voter/Resident Perceptions**

It is important to our communities and to democracy itself that changes be made to redress the sort of behaviours indicated above. And they are by no means confined to property developers – similar examples could be given drawing from the experience of other groups that are traditionally big donors to political parties.

Donations should be much more heavily constrained than at present. They need to be publicised basically as they occur, and certainly well before the election, so that voters can draw their own conclusions about what may be driving those donations – publication after the election is too late – the horse has bolted!

The level of constraint should not only be aimed at reducing or eliminating the suspicion of taint associated with any significant donation, but also in significantly reducing the amounts spent on political advertising generally. Much of the latter serves only to reinforce prejudice, and to elect governments on the basis of their marketing skills rather than their policies and performance.

In more detail I propose the following changes:

- 1. Prevent political donations over \$1000 at all levels in our political system.
- 2. Require verified identification with all donations.
- 3. Allow donations at Federal party level, State party level and candidate level (max \$1000 each), but do not allow any cross-funding between the levels, from State to State, or from candidate to candidate. The opportunity for cross-funding brings too much opportunity for subterfuge.
- 4. Total ban on donations from overseas sources.
- 5. Place a cap on advertising expenditure at each level.
- 6. Count 50% of any "public information" advertising expenditure by the Government of the day in the 12 months preceding an election against the expenditure cap of the party/ies making up that Government.
- 7. In the event that donations exceeding \$1000 continue to be allowed, require their reporting within one month of their making to the Election Funding Authority (within one week of their making, after an election date has been named).
- 8. A total ban on accepting donations over \$1000 within the last two weeks before election date, or the three months thereafter.
- 9. The Election Funding Authority to make all the above reporting available on its web site within 24 hours.
- Failure to comply with reporting, or to seek to avoid the above constraints by the use of false identities, etc, to be punishable by heavy penalties (including jail terms and/or loss of political office) for both politicians, party managers and donors (as appropriate – including directors etc of corporate donors)

As some counterbalance to these moves, it seems to me that it would be reasonable for some greater state funding of political parties. Its amount would need careful weighing, but some increase would be a reasonable price for taxpayers generally to bear, in order to remove a real blight on our political system. Namely, a political donation system that so badly taints the perceived motives of

politicians generally, across a wide range of activities impacting significantly on voters and residents generally.

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I would be happy to expand upon this brief submission should the Committee be interested.

Graham P Lewis