Panel of Experts – Political Donations

Submitted by Kate Smolski
Nature Conservation Council

Date: 17 September 2014
Dear Panel Members,

Thank you for the opportunity to make a submission to this inquiry.

The Nature Conservation Council of NSW (NCC) is the peak environment organisation for New South Wales, representing 130 member societies across the state. Together we are committed to protecting and conserving the wildlife, landscapes and natural resources of NSW.

The Nature Conservation Council of NSW supports reforms that will lead to improved political transparency and accountability. Given their undue influence, we recommend that donations from miners and lobbying firms should be urgently prohibited and any other donations should be subject to real time public reporting to increase transparency. Steps must also be taken to immediately prevent the caps and prohibitions that apply in New South Wales being circumvented by the use of Federal affiliates in the lead up to the 2015 election.

As Premier Baird states in his press release there is a “need to change the culture of hidden influence and misplaced expectations of access” and “restore the public’s trust in NSW politics”\(^1\). To achieve this reform needs to go beyond just addressing the political donation system. While an important step in curbing corrupt behaviour, consideration must also be given to reforming the assessment and approval process for major projects in NSW, including mining activities. Removing corruption risks from the NSW planning system will go a long way in addressing what is fast becoming systemic corrupt behaviour in NSW.

To this end, the Independent Commission Against Corruption (ICAC) has made a number of key recommendations:

- ICAC’s 2012 report, *Anti-Corruption Safeguards and the NSW Planning System*, provides 16 key recommendations for reform to the NSW Planning System\(^\text{ii}\).

- Additionally, following finding of corruptions in 2013, ICAC made 26 recommendations to reduce opportunities and incentives for corruption in the state’s management of coal resources, including with respect to the granting of exploration licences. \(^\text{iii}\)
While we are broadly in support of reforms to the electoral donation system, we also strongly recommend that Government:

1) Effectively implement all 16 key recommendations of the Independent Commission Against Corruption in relation to the NSW Planning System.\(^iv\)

2) Implement all 26 recommendations of the Independent Commission Against Corruption to reduce opportunities and incentives for corruption in the state’s management of coal resources, including the granting of exploration licences.\(^v\)

3) Establish a new process for the preparation of Environmental Impact Assessments that removes the financial nexus between proponent and consultant.\(^vi\)

4) Support third party participation in environment and planning decisions, by:
   - Restoring funding to EDO NSW\(^vii\), and
   - Restoring legal aid assistance to allow third parties to bring legal proceedings in the public interest.\(^viii\)

Yours Sincerely,

Kate Smolski
Chief Executive Officer

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\(^i\) Mike Baird MP, Premier of NSW, Media Release, Expert Panel to Drive Donations Reform, Tuesday 27\(^{th}\) May 2014


\(^iv\) Above no. ii

\(^v\) Above no. iii


\(^vii\) EDO NSW (formerly the Environmental Defender’s Office) is a community legal centre specialising in public interest environmental law. EDO NSW’s income has declined by around 50 percent in the past three years due to cuts in funding at the State level and cutting of all Federal funding the Australian Network of Environmental Defender’s Offices.

\(^viii\) On 1 July 2013, the NSW Government cut Legal Aid funding for environmental legal proceedings commenced in the public interest. Legal Aid has been crucial to keeping accountability and transparency in the environmental and planning system, holding decision-makers to account and ensuring the system works as it should.