

Alcohol Industry Donations to Queensland Political Parties: 2011-12 to 2013-14



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About the Foundation for Alcohol Research and Education

The Foundation for Alcohol Research and Education (FARE) is an independent, not-for-profit organisation working to stop the harm caused by alcohol.

Alcohol harm in Australia is significant. More than 5,500 lives are lost every year and more than 157,000 people are hospitalised making alcohol one of our nation's greatest preventative health challenges.

For over a decade, FARE has been working with communities, governments, health professionals and police across the country to stop alcohol harms by supporting world-leading research, raising public awareness and advocating for changes to alcohol policy.

In that time FARE has helped more than 750 communities and organisations, and backed over 1,400 projects around Australia.

FARE is guided by the World Health Organization's *Global Strategy to Reduce the Harmful Use of Alcohol** for stopping alcohol harms through population-based strategies, problem directed policies, and direct interventions.

If you would like to contribute to FARE's important work, call us on (02) 6122 8600 or email fare@fare.org.au.

This paper was prepared by Dr Norman Thompson for the Foundation for Alcohol Research and Education (FARE).

* World Health Organization (2010). *Global strategy to reduce the harmful use of alcohol*. Geneva: World Health Organization.

Summary

- This paper examines Queensland Electoral Commission (QEC) data for donations from the alcohol and related industries to major Queensland political parties between July 2011 and June 2014.
- The disclosure threshold for donations to the QEC was \$1,000 from July 2011 to December 2013. This threshold was increased to \$12,400 from January to June 2014.
- The alcohol industry donated \$408,648.08 to major Queensland political parties between July 2011 and June 2014.
- The Liberal National Party (LNP) received the most donations from the alcohol industry (\$374,146.00), followed by the Queensland division of the Australian Labor Party (ALP) (\$19,502.08) and the Katter Australian Party (KAP) (\$15,000). The Queensland Greens and Palmer United Party (PUP) received no donations from the alcohol industry.
- The vast majority of alcohol industry donations (92%) went to the LNP, the party expected to win the 2015 State Election and the party that was ahead in the opinion polls throughout this period after its historic landslide win in 2012.
- More political donations were received in July to December 2013 (\$133,887.00), followed by January to June 2013 (\$131,977.18) and January to June 2012 (\$77,621.00).
- The hotels sector donated the most to Queensland political parties (\$156,826.58), followed by clubs (\$72,658.00), casinos (\$70,658.50), alcohol producers (\$60,000) and alcohol outlets (\$48,525.00).

Introduction

Contributions by companies, individuals and lobby groups involved in the alcohol industry to political parties have become a very contentious issue in Australia over the last decade.

It is now well known that the alcohol industry has significant influence on policy development and implementation.^{1,2} Limiting political donations has been one avenue used by some Australian governments to curtail this influence.

In 2008 the Bligh Labor Government reduced the disclosure threshold for political donations from \$1,500 to \$1,000. Disclosure timeframes for reporting donations that exceeded this threshold to the Queensland Electoral Commission (QEC) were also reduced from 12 to six months. In addition, gifts in the amount of or accumulating to \$100,000 or more were required to be reported to the QEC within 14 days by the person, the registered political party to which the person made the gifts, or if the person made any part of the gifts to an associated entity of the registered political party, the associated entity. These gifts could not be made for the purpose of election expenditure.³

These changes increased public scrutiny of donations and resulted in the QEC data becoming among the most transparent in Australia.

The Newman Liberal National Party (LNP) Government changed the electoral laws again in 2014. The disclosure threshold of donations was raised substantially from \$1,000 to \$12,400, bringing it in line with the current Federal disclosure threshold. Donations information was only required to be disclosed to the QEC every 12 months rather than every six months. Newman claimed that these changes were necessary because advice from the Crown Solicitor said it was vulnerable to a high court challenge.⁴

University of Queensland professor and expert in electoral law, Graeme Orr, said the Crown Solicitor's advice was "weak" and "just not a plausible argument." Professor Orr asked the question, "How can that be right when other states – New South Wales, the ACT and, soon, South Australia – all have regular disclosure at lower levels than the Commonwealth?"⁵

There have been past studies of the amount of money the alcohol industry donates to the political parties in New South Wales (NSW) and Victoria.^{6,7} This study examines such donations to political parties in Queensland. These contributions to political parties, particularly at fundraising events, provide donors with important access to politicians in many parts of Australia.

Approach to the analysis

QEC data was analysed from the eight months prior to the March 2012 State Election (July 2011) through to June 2014 for this study. The six monthly data from July 2011 through to December 2013 had a disclosure threshold of \$1,000. The period January through June 2014 used the new threshold of \$12,400.

The political parties included in the analysis were the Queensland divisions of the Australian Labor Party (ALP), the Liberal National Party (LNP), the Katter Australian Party (KAP), the Greens and the Palmer United Party (PUP).

The alcohol donations made to the Fadden Forum were also included in the LNP donations since it is part of that party. These donations were only discovered on donors' returns submitted to the QEC.

Donations from the alcohol industry made to Forward Brisbane Leadership (FBL), which was an LNP associated entity until November 2012⁸, were also included in this study.

The FBL was established by long-term Liberal fundraiser and strategist Greg Bowden with Mr Campbell Newman in 2003 "to help Campbell Newman get elected and stay elected".⁹ The then Lord Mayor Mr Newman announced on 22 March 2011 that he was seeking the LNP pre-selection for the state seat of Ashgrove and if he won pre-selection he would resign from the Brisbane City Council and make a bid for the LNP leadership.¹⁰ Newman succeeded in this and went on to become Premier.

It is reported that functions were held with Mr Newman and attendees were asked to contribute to Forward Business Leadership. Contributions ranged from \$1,100 to 5,000, or attendees could offer an amount of their choosing. The practice of holding fundraising lunches is not uncommon among politicians or political parties.¹¹

For the purposes of this study, alcohol industry donors were defined as producers, distributors, wholesalers, and retailers of alcohol. Retailers include both on and off-licence premises. The hotels included as part of this analysis were those that were pubs, often with associate bottle shops, or larger hotels that joined their local liquor accord. Being a member of the accord means that these hotels are concerned about and involved with alcohol policy.

It also includes organisations representing the alcohol industry such as the Australian Hotels Association (AHA) and Clubs Australia, as well as others not found in this study such as the Distilled Spirits Industry Council of Australia, the Wine Federation of Australia and the Brewers Association.

Some companies and individuals have a number of businesses, including one or more that are a part of the alcohol industry. For example, one hotel company donor is part of a much larger group of companies that is involved in property development throughout much of Australia. Since there were donations directly from the hotel company these were the only ones included in this study. All the other donations from the overall group of companies were not included in the analysis.

Other individuals own various companies that include one or more alcohol interests, such as pubs or wineries. There were two individuals who are in this category and donate to Queensland political parties both individually and through some of their non-alcohol companies. However, there were no contributions declared to the QEC from their pubs or wineries. In these instances, donations from them personally or their overall group of companies were included in the analysis. However, donations from other companies within the overall group were not included.

Findings

Three of the five Queensland political parties examined received donations from the alcohol industry during the three year period. These parties were the ALP, LNP and KAP. There were no donations from the alcohol industry to the Greens or PUP.

The total contributions from the alcohol industry are given in Table 1. A more detailed breakdown of the companies, individuals and lobby groups that made these donations can be seen in Appendix 1.

Table 1: Total alcohol industry donations

Party	July - Dec 2011	Jan - June 2012	July - Dec 2012	Jan - June 2013	July - Dec 2013	Jan - June 2014	Total (\$)
LNP	34,325.50	67,428.50	28,875.00	117,980.00	125,537.00	0	374,146.00
ALP*	1,680.00	5,192.50	0	3,997.18	8,632.40	0	19,502.08
ALP	37,350.65	35,785.50	37,577.55	36,670.18	52,206.40	74,516.15	275,106.43
KAP	0	5,000.00	0	10,000.00	0	0	15,000.00
PUP	0	0	0	0	0	0	0
Greens	0	0	0	0	0	0	0
Total* (\$)	36,005.50	77,621.00	28,875.00	131,977.18	133,887.00	0	408,648.08

*Excludes contributions from Labor Holdings Pty Ltd which is a Queensland ALP associated entity.

Table 1 demonstrates that the total contributions of political donations from the alcohol industry directly to the major political parties was \$408,648.08 between July 2011 and June 2014.

The LNP received the most donations from alcohol industry donors (\$374,146.00), followed by the ALP (\$19,502.08) and the KAP (\$15,000.00). Of the alcohol industry donations received during the period examined in this paper most went to the LNP, the party expected to win the 2015 State Election and the party ahead in the polls throughout this period after its historic landslide win in 2012.

Table 1 also demonstrates that more political donations were received in 2012-13 (\$160,852.18), followed by 2013-14 (\$133,887.00) and 2011-12 (\$113, 626.50).

The only money identified between 1 January and 30 June 2014 when the disclosure threshold was \$12,400 was dividends received by the Queensland ALP associated entity, Labor Holdings Pty Ltd.

Table 1 includes two totals for the ALP. The larger figure includes donations from Labor Holdings, which received a total of \$215,628.75 in dividends from its holdings in Wesfarmers (which includes Coles) and Woolworths. In addition it received \$39,955.60 from Treasury Wine Estates Ltd, a global winemaking and distribution business.

As we saw in the earlier FARE report on donations to the Victorian political parties, the Cormack Foundation is a Liberal Party associated entity similar to Labor Holdings.¹² Debates about whether dividends received from companies to these entities can influence decisions made by those parties were discussed in this report. Although a number of people have argued that it does have potential impacts, especially Steven Mayne a shareholder activist and editor of the Mayne Report.

Labor Holdings was set up in 1986 when the party sold radio station 4KQ for \$16.5 million. The funds were invested and Queensland Labor only allowed it to spend the earnings on the investments, which were believed to be worth almost \$100 million in 2008.¹³ It contributed \$4.2 million for the 2009 Queensland's ALP state election campaign.¹⁴

Table 2: Total alcohol industry donations by alcohol industry category

	Hotels	Clubs	Alcohol outlets/hotels	Alcohol producers	Casinos	Totals
LNP	143,417.00	52,738.00	48,525.00	60,000.00	69,466.00	374,146.00
ALP*	8,409.58	9,900.00	0	0	1,192.50	19,502.08
ALP	8,409.58	9,900.00	215,628.75	39,955.60	1,192.50	268,356.85
KAP	5,000.00	10,000.00	0	0	0	15,000.00
Totals*	156,826.58	72,638.00	48,525.00	60,000.00	70,658.50	408,648.08

*Excludes contributions from Labor Holdings Pty Ltd which is a Queensland ALP associated entity.

Table 2 demonstrates that the hotels sector donated the greatest amongst the alcohol industry (\$156,826.58), followed by clubs (\$72,638.00), casinos (\$70,658.50), alcohol producers (\$60,000) and alcohol outlets (\$48,525.00).

Discussion

The comparatively small contributions to the political parties by the alcohol industry shown by this study is surprising. Even with a much higher disclosure threshold for reporting donations, the Victorian parties received much larger contributions from this industry both before the November 2010 State Election and in the two and a half years following that election.¹⁵

In most states, especially NSW, South Australia and Victoria, the AHA is a very large donor to the parties. This is true of individual hotel companies as well in NSW in sharp contrast to the situation in Queensland.¹⁶

The question must be asked: Why has there been so little alcohol money flowing into the coffers of the Queensland parties? One reason may be that people and companies are influencing the government in other ways, including seeking the help of lobbyists to gain access to politicians.^{17,18,19}

From previous research, it is known that donors typically either give more to the party in power or the one they expect to win the next upcoming election. As seen in the results of this research this clearly was the case in Queensland, with the LNP receiving 92 per cent of the donations.

During the time period examined by this study, policy decisions relating to alcohol regulation have largely been in the interests of the alcohol industry. The Queensland Government's *Red Tape Reduction Proposals for Liquor and Gaming* and *Safe Night Out Strategy* have resulted in a greater focus on individual responsibility and the deregulation. An example of this is the extension of trading hours through the lifting of the moratorium on late trading of on-licence premises in Queensland.

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**Alcohol industry donations to Queensland LNP
2011-12 to 2013-14**

Qld Disclosure Threshold	\$ 1,000.00	Date Donation	Jan - June 2012	Date Donation	July - Dec 2012	Date Donation	Jan - June 2013	Date Donation	July - Dec 2013	Date Donation	Jan - June 2014	Date Donation
Hotels												
AHA NSW												
Queensland Hotels Association												
ALH Group *					\$ 5,000.00	4/12/2012			\$ 1,650.00	30/08/2013		
Rembrook P/L -	\$ 2,000.00	12/10/2011							\$ 2,000.00	NA		
Royal George Hotel												
Les Pullos	\$ 2,000.00	NA			\$ 4,550.00	28/08/2012						
(Royal George Hotel)												
Grand Hotel, Cairns			\$ 1,000.00	NA								
Power Hotels	\$ 2,000.00	13/10/2011					\$ 1,100.00	30/06/2013				
Bernard Power, Director Power Hotels			\$ 2,000.00	NA			\$ 8,000.00	30/06/2013				
Scott Hotels P/L ***							\$ 5,000.00	6/05/2013				
Scott Hotels P/L ***							\$ 5,000.00	14/06/2013				
Scott Hotels P/L ***							\$ 5,000.00	14/06/2013				
Scott Hotels P/L							\$ 5,000.00	30/06/2013	\$ 10,000.00	10/12/2013		
Emporium Hotels P/L*							\$ 5,500.00	28/03/2013				
Central Queensland Hotels P/L	\$ 4,000.00			NA								
Cominsky Group							\$ 3,000.00	30/06/2013				
The Avenues -												
The Av Tav, Townville	\$ 2,000.00			NA								
Katarzyna							\$ 5,500.00	15/01/2013	\$ 5,500.00	5/09/2013		
Katarzyna							\$ 2,000.00	15/01/2013				
Katarzyna							\$ 2,000.00	30/06/2013				
Transcontinental Hotel, Brisbane									\$ 5,000.00	41527		

Alcohol Outlets/Hotels										
Coles Group	\$ 4,125.00	NA	\$ 11,500.00	NA		\$ 11,600.00	13/03/2013	\$ 11,600.00	17/12/2013	
Woolworths	\$ 4,125.00	NA				\$ 1,650.00		\$ 1,650.00	9/10/2013	
Woolworths *						\$ 625.00				
Woolworths *						\$ 3,300.00				
Total Alcohol Outlets/Hotels	\$ 8,250.00		\$ 11,500.00			\$ 3,925.00		\$ 11,600.00		Nil
Alcohol Producers/Wine										
Geoffrey Thomas *	\$ 3,000.00	26/07/2011				\$ 8,000.00	30/06/2013			
Geoffrey Thomas *	\$ 1,500.00	5/08/2011				\$ 1,000.00	30/06/2013			
Geoffrey Thomas Family Trust *	\$ 5,000.00	4/10/2011	\$ 1,500.00	1/03/2012				\$ 40,000.00	28/08/2013	
Rainrose P/L										
Total Alcohol Producers	\$ 9,500.00		\$ 1,500.00			\$ 9,000.00		\$ 40,000.00		Nil
Casinos										
Treasury Casino & Hotel *	\$ 2,297.50	16/09/2011	\$ 1,568.50	1/02/2012				\$ 1,900.00	28/03/2013	
Treasury Casino & Hotel **			\$ 2,000.00	17/01/2012				\$ 1,900.00	29/05/2013	
Treasury Casino & Hotel	\$ 2,000.00	NA								
Treasury Casino & Hotel			\$ 22,000.00	NA		\$ 5,000.00			31/12/2012	
Jupiters						\$ 1,100.00			31/12/2012	
Jupiters						\$ 1,900.00			NA	
Echo Entertainment Group								\$ 2,500.00	30/06/2013	30/09/2013
Echo Entertainment Group										30/09/2013
Echo Entertainment Group										12/07/2013
Pullman Reef Hotel & Casino								\$ 1,000.00	30/06/2013	
Aquis Resort - Tony Fung										19/08/2013
Total Casinos	\$ 4,297.50		\$ 25,568.50			\$ 8,000.00		\$ 7,300.00		Nil
Grand Total	\$ 34,325.50		\$ 67,428.50			\$ 28,875.00		\$ 117,980.00		Nil

* From Donors' Returns

** Forward Brisbane Leadership

***Donation to Fadden Forum

**Alcohol industry donations to Katter's Australian Party
2011-12 to 2013-14**

Old Disclosure Threshold	\$ 1,000.00	July - Dec 2011	Date Donation	\$ 1,000.00	Jan - June 2012	Date Donation	\$ 1,000.00	July - Dec 2012	Date Donation	\$ 1,000.00	Jan - June 2013	Date Donation	\$ 1,000.00	July - Dec 2013	Date Donation	\$ 12,400.00	Jan - June 2014	Date Donation
Hotels																		
Redearth Hotel P/L *				\$ 1,000.00	19/03/2012													
The Gem Hotel				\$ 1,000.00	4/01/2012													
Cradview P/L Southern Hotel				\$ 1,000.00	4/01/2012													
Wellington Point Hotel				\$ 1,000.00	4/01/2012													
Bracken Ridge Tavern				\$ 1,000.00	4/01/2012													
Total Hotels \$5,000.00				\$ 5,000.00				Nil					Nil				Nil	
Clubs																		
Carpentaria Buffalo Club *											\$ 10,000.00	28/05/2013						
Total Clubs \$10,000.00								Nil			\$ 10,000.00			Nil			Nil	
Grand Total \$15,000.00				\$ 5,000.00				Nil			\$ 10,000.00			Nil			Nil	

* From Donors' Forms Submitted to QEC



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