

Pubs turn off the political donations tap

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THE Australian Hotels Association has frozen all political donations in a move that increases pressure on the Premier, Morris Iemma, to carry through his proposal to ban all donations.

The association's new president, Scott Leach, and his executive have decided to implement the freeze after a decade in which it gave close to \$1 million to NSW Labor.

Mr Leach, 36, who was elected a fortnight ago, said the move was part of a review of how the association operated.

"Political donations made by the AHA are under review - we've pressed the pause button," he said yesterday. "We fully support the Premier's changes."

The *Herald* revealed last month that Mr Iemma had instructed the ALP's state secretary, Karl Bitar, to consult other parties about banning all donations. Mr Iemma indicated it was "time ... [for] us to now seriously consider moving away from donations and having a fully public-funded system".

The freeze follows several years of controversy about the relationship hotels and developers have with the Government, and the concessions they receive. The developers' group the Urban Taskforce recently called for a ban on donations.

The Greens MP Lee Rhiannon welcomed the AHA freeze and said it would probably be copied by individual hotels. Between 1999 and 2007 the hotel industry gave \$4.97 million to Labor.

"It's a highly significant change in culture of political funding and would be putting more pressure on Mr Iemma not only to [carry through] his ban but also to speed it up," Ms Rhiannon said.

Last month, the departing AHA president, John Thorpe, said hotels had donated to Labor out of "gratitude" for the Carr government allowing poker machines into hotels. He said the reason for attending fund-raisers was "simple ... every concession the industry has can be given with the stroke of a pen and can be taken away with the stroke of a pen".

But Mr Leach, the owner of the

Rose of Australia Hotel in Erskineville, in his first full interview in the job yesterday, was more defensive about the hotels' and AHA's reasons for attending fund-raisers and giving donations.

He said fund-raisers were part of life in the corporate world.

He denied they were about gaining access to politicians, saying publicans could get access anyway. Asked why he went to fund-raisers, he said: "Why do you eat oranges at half-time in a football team?"

"In the world today, political parties invite corporations, industry associations ... to participate in events. The way the media's portrayed it at times, we're the only people who have been involved in anything.

"But we are like any responsible corporate entity representing the issues of our members, and we'll do that ...

"There's never been any case where we have behaved illegally, inappropriately or with poor ethics, to my knowledge."

But he signalled a change in direction for the association with his election and last year's appointment of Sally Fielke, 33, as chief executive.

"It's my opinion that over the past couple of years, the association has probably been disconnected from stakeholders and a whole range of people in the community," he said.

Mr Leach said he would not encourage or discourage individual hoteliers from donating. "Individuals have a democratic right to support who they wish. It is not the right of the AHA to tell them what to do.

"I've seen no evidence other than continuing media slurs [of improper conduct]."

Mr Leach said such suggestions were offensive "when you're a hard-working person like [me], and my hotel is my home, I live there, it's my superannuation. I don't have a share portfolio like other people. It's everything.

"When I wake up [and] in the paper every morning I'm getting whacked by everyone for all number of reasons ... it taints me in the community and my reputation in the community and when you look at the facts we donate more money to charity than any other private field."

Mr Leach said recent publicity that had blamed licensees for increases in alcohol-related assaults was unfair. Much of the problem lay with generation Y, and there should be more focus on personal responsibility.

"I think there's a feeling out there amongst a lot of people that community values have dropped, and there's absolutely no fear of police or respect for police, and I think police would support that," he said.

"If you build the car, put all the airbags in it in the world, but if the driver wants to get behind the wheel and drive into a wall at 300 kilometres an hour, they're going to hurt themselves - it wouldn't matter how well you want to build the car ...

"It's not socially acceptable to say, 'Listen, I've had three beers and I got behind the wheel of a car', but apparently it is socially acceptable to say, 'I had three beers and I didn't like what my mate said about my missus' [and started a fight]."

Mr Leach said he could not understand the "panic" in the media over alcohol-related crime when the public seemed to support the change in the law to allow a proliferation of small bars, increasing the amount of drinking.

Mr Leach said he still worked behind the bar of his hotel.

"We [publicans] do have a special function in relating to dealing with people. I'm the white Oprah; I'm part psychologist and part bar attendant."