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**Submission to the Joint Standing Committee on Electoral Matters on the
*Electoral Legislation Amendment (Miscellaneous Measures) Bill 2020***

Thank you for the opportunity to comment on the *Electoral Legislation Amendment (Miscellaneous Measures) Bill 2020* ('the Bill'). I have significant concerns that the Bill will undermine the strict political donation laws which exist at the state level, and provide an avenue for major-party donors to circumvent donation regulations and prohibitions.

The Bill seeks to ensure that state and territory laws cannot restrict the ability of donors to give funds for federal purposes. For example, Queensland and New South Wales electoral laws ban donations from property developers, and impose lower thresholds on donations to force parties and donors to disclose the payments. Similarly in Victoria donations over \$1,000 must be disclosed to the public and are limited to a maximum of \$4,000 every four years. Under the proposed changes, donations given to political parties ostensibly for 'federal purposes' would be exempt from these stricter state laws. In contrast, the Federal laws would apply which are some of the weakest in the country, with a \$14,000 threshold for disclosure and delayed reporting.

Banned donors, for example property developers in Queensland, could therefore donate to a state branch but claim the donation is for a federal purpose. And once the money has been donated it is virtually impossible to identify amounts transferred across branches within the major parties, and difficult to track whether money paid for a federal purpose is only used for that purpose. The Bill risks creating a backdoor which undermines state laws and would essentially benefit the major parties which fight both federal and state elections.

Instead of tinkering around the edges and weakening strong state laws, the Government should focus on deep reform of political donations at the Federal level. For instance, there must be a limit on the amount any one donor can give to a party or candidate because the reality is that no-one, be it an individual or corporation, gives enormous sums of money to a political party or candidate without expecting something in return. The current disclosure

threshold of \$14,000 is far too high and allows people and organisations to donate significant amounts of money yet avoid scrutiny. This threshold must be reduced to a more sensible threshold, for example \$1,000, and standardised across all jurisdictions. A gross limit on donations from any one source should also be considered.

Furthermore, the current reporting requirements for parties and candidates are far too relaxed and must be tightened. Often donations are not disclosed until months after an election. A sensible alternative would be for parties and candidates to disclose this information much more quickly, preferably in real time, or at least in a matter of weeks rather than months.

Finally, the definition of donations must be expanded to include any activity that has the effect of benefitting a party or candidate, for example organisations or lobby groups campaigning for a key policy of a particular party. These types of parallel campaigning must be included in the definition of political donations.

We desperately need reforms that address the inconsistencies between state and federal donation laws, so to avoid individuals and companies flouting the laws of one jurisdiction by donating to a party in a different jurisdiction. This Bill unfortunately takes the wrong approach, whereas the reform I've outlined would reinvigorate public confidence in our electoral system and promote public trust in Australian politicians, which is currently at an all-time low.

Yours sincerely



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