

Joint Standing Committee on Electoral Matters
Parliament House
Canberra
4 March 2020

Dear Chair, Deputy Chair and Committee Members,

I appreciate the opportunity to make this submission to the Joint Standing Committee on Electoral Matters (JSCEM) in relation to the lowering of the donation disclosure threshold and related matters. Regrettably, I do so with the same sense of futility I expressed in my September 2019 submission to the Committee. At that time I summarised the decades of inaction by the people's representatives to reforming the federal political donations regime.

To be frank, Australia has a much maligned, opaque political donations system at the federal level. In my 2019 submission, I pointed out that **public office is a public trust**, and that sadly the people no longer trust those who hold public office. They have little faith in the capacity of most members of parliament (MPs) to make decisions that are in the public interest, as opposed to their personal interests and those of their political parties. Reforming the federal political donations regime is unquestionably in the public interest and, as several independent MPs have made clear, it should be reformed without any more needless delay.

The current disclosure threshold of approximately \$14,000 assaults and insults Australia's democratic political system. It discriminates in favour of the wealthy and influential at the expense of ordinary Australians who pay the wages and work-related expenses of every member of parliament.

A disclosure threshold of \$1000 would prevent a \$100,000 donation being masked as having come from many people. As no doubt every member of parliament is aware, this is exactly what happened in New South Wales (NSW). If it were not for the diligence of the Electoral Commission and the investigative powers of NSW's Independent Commission Against Corruption, the Australian people would not have learnt about the false declarations made by proxy donors to disguise the real source of a \$100,000 donation; a practice that it is nearly impossible to believe is a rare occurrence.

If the Committee is genuinely concerned about honouring the principle that public office is a public trust, and wishes to respect the wishes of those who elected them to power, it has no choice but to recommend lowering the disclosure threshold to \$1000 per donor, per electoral cycle. This threshold offers the best hope of eradicating the gaming of the system by those more concerned about personal and party interests than the interests of the people they are paid to represent. Any future rise in a \$1000 threshold should require a change to the legislation. A legislative approach would prevent automatic increases and allow for the matter to be debated in the people's parliament.

As referred to in my previous submission to JSCEM, the 2008 Green Paper *Donations, Funding and Expenditure* (p47) identified the strong link between disclosure and transparency in a political donations regime. I would like that submission to form part of this submission as it means I do not have to repeat all that I (and many others) have already said on several occasions to various JSCEMs about the need to radically overhaul the federal political donations regime.

Of course, as all Committee members would be aware, simply lowering the disclosure threshold to

\$1000 will not, by itself, address the many shortcomings inherent in what is currently a shameful federal political donations regime. Lowering the disclosure threshold must be accompanied by real-time disclosure (within 24-48 hours after receipt of a donation). The Committee must strenuously avoid the Victorian interpretation of the words “real time”, which that state considers to be three weeks. Whichever way you look at it, three weeks is not “real time”.

There is no reason why all donations over \$1000 could not be made public within 24-48 hours after the donation is made. Indeed the only barrier preventing it from happening is the political will to do so.

Other reforms urgently required to fix the current federal political donations regime include introducing a cap on the expenditure allowed to be spent by any party/individual when campaigning in an election. This is the only way to stop the ever increasing “arms race”, a disturbing feature of all elections.

Truth in political advertising must be introduced. Failure to do so is an admission by members of parliament and the administrative wing of political parties that they consider it acceptable to be less than truthful to the Australian people when trying to win government. Untruthful/distorted political advertising is unethical conduct and is contributing to the ever widening trust deficit.

Lowering the disclosure threshold, introducing genuine real time disclosure, apply expenditure caps in election periods and introducing truth in political advertising laws can happen and happen very swiftly. All it requires is:

- for parliamentarians to ensure that the public interest takes precedence over personal and party interests;

- for the people’s representatives to respect and act according to the wishes of the Australian people;

- for the government and opposition to quickly support amendments to the relevant act(s) of parliament; and

- for all MPs to adhere to the principle that public office is a public trust.

The question that only MPs can answer is, will they?

I am very happy for this submission to be made public and, should the Committee so desire, to discuss further any of the points raised here.

Sincerely

Dr Colleen Lewis