

The Joint Standing Committee on Electoral Matters
Parliament House
Canberra

Dear Chair, Deputy Chair and Committee Members

I thank the Joint Standing Committee on Electoral Matters (JSCEM) for the opportunity to make a submission on the Commonwealth Electoral Amendment (Real Time Disclosure of Political Donations Bill 2019).

I have raised the need to introduce real time disclosure laws in previous submissions to JSCEM and draw the Committee's attention to those documents, which I would like to form part of this submission. In particular, they are the 15,500 word report I authored in 2016 titled *Come Clean: Stopping the arms race in political donations* and the 6,500 word 2017 report *How clean might we become? a progress report on reforming Australia's Federal political donations regime*. JSCEM already has copies of both these reports. I also refer the Committee to the submission I made in September 2019 to JSCEM in relation to the conduct of the 2019 Federal election and matters related thereto. It addresses, in part, the issue of real time disclosure.

I have been making the same points about disclosure laws in every submission I have made to JSCEM. Clearly, they are not having any impact. Despite this, I willingly make yet another submission in the hope that this time JSCEM, the political parties to which most members belong and the parliament will respond in a positive way, not just to my submissions and those of experts in the political donations field, but more importantly to the sentiments expressed by the Australian community. It has repeatedly called for radical reform to the opaque political donations regime but the wishes of voters are largely ignored.

Along with caps on donations, real time disclosure is one of the most important reforms required to remedy a largely opaque political donations system that places personal and party interests well before the public interest. Should the committee disagree with this comment I, and all other Australian voters, look forward to hearing and receiving, in writing, the justifications for retaining the current disclosure laws and an explanation about how the public interest has been served since these laws were passed by the parliament many years ago. All explanations will need to be based solely on the public interest, because this is the interest every parliamentarian is supposed to place well before any other interests.

Some States have reformed their disclosure laws but in a less than ideal way. I say this because in a few cases they do not reflect *real time* disclosure. For

example Queensland and New South Wales appear to think that three weeks – 21 days – equates to real time. It does not and it also leaves the system open to manipulation by those with a vested interest in so doing. South Australia requires all donations to be disclosed every seven days during an election period and every six months outside of that period. New South Wales also adopts the six months rule outside of an election period. This is illogical as there is no reason why it should take six months to declare a donation just because an election has not been called.

The six months rule is a policy that the Federal government should not adopt. It should also absolutely avoid the three weeks rule of Queensland and New South Wales referred to earlier, especially if it wants to genuinely respond to the wishes of the Australian people.

As I have pointed out in previous submissions, it is possible to declare donations within 24-48 hours. The technology exists and has for some time. The only thing that does not appear to exist is the political will to do so.

Disclosing donations in genuine real time may require the taxpayers of Australia to agree to allocating additional funds to the highly respected Australian Electoral Commission. This might be necessary to ensure that 24-48 real time disclosure or even five-day disclosure (the next best option) is operational well before the next Federal election. It is highly doubtful that the Australian community would object to paying for greater transparency and openness in the Federal political donations regime. Should members of parliament disagree, they should publicly state their reasons and an informed public debate could then take place.

At the risk of repeating a matter raised in previous submissions, a 2008 Green Paper addressed the strong link between disclosure and the requirement to have transparency in the Federal political donations regime. As was pointed out in the Green Paper, published some 11 years ago:

Disclosure is founded on the principle that the public has a right to know the extent and nature of the financial involvement of political parties, independent candidates and other participants in the political process.

Members of parliament, parliamentary committees, the parliament and political parties have largely ignored the Green Paper, and other reports and submissions, and have done so for over 11 years. Why they have gone down this path now needs to be publicly explained, as the Australian community is growing weary of inaction in this policy space.

The bill introduced by the Member for Mayo, Rebekha Sharkie MP and seconded by the Member for Clark, Andrew Wilkie MP, calls for every recipient of a gift/donation to be legally required to declare that donation within five days of receiving it. While it can be argued that the bill introduced by Rebekha Sharkie could have called for 24-48 hour disclosure rather than five days, I nevertheless congratulate most sincerely the member for Mayo for taking an important step toward allowing Australian voters to cast an informed vote when they go to the polls. At the moment they are being deliberately prevented from knowing who donated how much and to whom until months and sometimes over a year after a donation (above the ridiculously high \$14,000 threshold) has been received. That is not accountability, openness or transparency in the true sense of any of these words.

As the OECD has pointed out, open, transparent and timely disclosure laws provide for an open and accountable political donations regime. Such regimes they argue protect the “integrity and fairness of public-decision making”. Australia’s Federal disclosure laws neither protect nor deliver either.

Given the plummeting trust in Australia’s members of parliament, the effect this is having on trust in political decision-making and the institutions that protect our democracy, the time has come for immediate action on real time disclosure laws.

I genuinely wish this submission did not have to express the sentiments it has, and it gives me no pleasure to do so, but how many more times must the same thing be said by experts in the area and by the voters of Australia before meaningful, public interest reform is implemented? That is yet another question that needs to be answered by those entrusted to use the power of the people in the people’s interest.

I am happy for this submission to be made public and to appear before JSCEM should the committee so wish.

Sincerely

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