

Increased political donations—recipe for corruption

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The federal government's proposal to increase the disclosure limit for donations to political parties from \$1500 to \$5000 is a further blow to transparency and accountability, a further insult to an electorate which is often fed the line that we are one of the world's great democracies.

We are in fact heading towards becoming – after the United States – the second best democracy money can buy.

Special Minister of State Senator Eric Abetz is proposing to lift the threshold for which donations to political parties must be disclosed to the Australian Electoral Commission from \$1500 to \$5000 as well as raising the tax deductibility limit from \$100 to possibly \$5000.

As the disclosure rules stand, there is ample opportunity for companies or individuals to avoid disclosure by donating multiple amounts at just below the \$1500 limit. Donations could be made to individual state or territory branches, as well as federal offices of political parties, with any multiple of \$1499. The law is an ass as it stands – or more accurately a donkey, just pin the money to the tail! So under the Liberals' plan, we will have multiples of \$4999.

If we do not know who is donating to politicians and political parties, we simply do not know whose vote is being influenced or bought. At a local government level, the accusations made against the now-sacked Tweed Shire Council, of developer-sponsored 'independent' councillors and serious breaches of the law, are a timely reminder of the need for not only a limit on political donations, but a cap on individual spending in elections.

Disclosure rules are supposed to ensure a politician represents all her or his constituents rather than the interests of those few who fund their campaigns.

Under the existing rules, political parties and candidates already have considerable discretion to classify money they receive, which determines how much money they disclose. Funds can be classified as a 'donation', 'other receipt' or 'unspecified'. Unspecified funds are not subject to disclosure rules, which means only about two thirds of monies are ever

traceable by the Electoral Commissioner or anyone else. Retiring Electoral Commissioner, Andy Becker, told a recent Senate inquiry that the current threshold should remain but the government no doubt believes the Electoral Commissioner is there to count the donations, not control them.

As the Commissioner can no doubt attest, there are enough loopholes in the Electoral Act now without increasing donation limits to permit greater flows of secret money to flow through parties to candidates and marginal seat campaigns.

Only a cap on campaign spending of say, \$50 000 for all candidates, party or independent, can ensure the greatest possible transparency and achieve the most level campaign field for all aspiring representatives. If you cap the spending, you automatically cap the need for excessive donations.

Public funding at almost \$2 a primary vote (last federal election) is quite sufficient to meet the needs of a proper democratic process.

As things stand, election donations and spending are now out of control and favour the rich and financially well-connected over those with far less financial resources but arguably far more to offer our parliaments.