

# **SUBMISSION TO THE ELECTORAL REFORM SECRETARIAT, DEPARTMENT OF THE PRIME MINISTER AND CABINET, ON ELECTORAL REFORM GREEN PAPER.**



## **Cancer Council Victoria**

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Cancer Council Victoria (“CCV”) is a non-profit organisation involved in cancer research and cancer support, prevention and advocacy. It is the largest non-government provider of cancer research funds in Victoria and has been leading the fight against cancer since 1936.

Through its initiatives, programs and projects, CCV conducts research and advocates for policy, legislative and regulatory reforms aimed at preventing the occurrence of, and reducing the harm and suffering caused by, cancer and other diseases. Key initiatives of CCV and its partners include the Tobacco Control Unit (comprising Quit Victoria and the VicHealth Centre for Tobacco Control), Alcohol Policy Coalition, Obesity Policy Coalition, PapScreen Victoria and Sunsmart.

CCV welcomes this opportunity to provide a written submission to the Electoral Reform Secretariat, Department of the Prime Minister and Cabinet, on the Electoral Reform Green Paper – Donations, Funding and Expenditure (“Green Paper”). Our interest in the Green Paper stems from our interest in ensuring that public health policy is developed and implemented in an open and transparent manner. We also wish to ensure that efforts to improve public health policy and outcomes are protected from any interference (actual or perceived) by corporations and organisations whose interests may be adverse to public health, in particular, tobacco companies.

## **Executive Summary**

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Public access to open and transparent information about the extent and nature of gifts and other private contributions received by political parties, associated entities, third parties, candidates and Senate groups is vital to a strong and accountable democracy.

The acceptance of gifts (commonly referred to as donations) and other private contributions (such as contributions received via membership fees, fundraising events and returns on private investments) can cause the community to question whether certain decisions or policy outcomes may have been influenced by those funds. This is a particular problem in policy areas such as public health, where the interests of corporations and industry groups can be in conflict with improving public health outcomes. These issues take on a particular significance in the case of tobacco companies given their interests and the best interests of public health are irreconcilable.

Improvements to disclosure obligations under the *Commonwealth Electoral Act 1918* are required to ensure the public can access information about any significant gifts and other private contributions received by political parties, associated entities, third parties, candidates and Senate groups in Australia. CCV therefore supports the proposals contained in the *Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008* to reduce the disclosure threshold to \$1000 and to strengthen and improve the timeliness of disclosure obligations. We also encourage the government to strengthen the disclosure

obligations by requiring disclosure returns to be lodged quarterly, or at least bi-annually (as proposed in the Bill), and election returns to be lodged and published prior to polling day. The quality of published returns could be improved by requiring all returns to include the date any gifts or other private contributions were received.

To ensure that all significant private contributions are disclosed (i.e. not only gifts), the government should consider expanding the obligations that currently apply to gifts, to apply to any private contributions that, individually or cumulatively, exceed the disclosure threshold. While some exemptions will be required, the disclosure obligations should generally extend to any private contributions (including gifts) that benefit a political party, candidate or Senate group.

Finally, we support the option in the Green Paper to consider banning gifts and other private contributions from corporations and organizations that some people may consider have a negative impact on public health or welfare. In particular, we strongly encourage the Australian government to prohibit political parties and others from receiving private contributions (including gifts) from tobacco companies given the harm they cause and the irreconcilability of their interests with the interests of public health.

## 1. Introduction

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CCV is committed to advocating for policy, legislative and regulatory reforms aimed at improving public health outcomes. We are committed to ensuring that public health policy is developed in a fair, open and transparent manner.

On 22 August 2008, we provided a submission to the Joint Standing Committee on Electoral Matters (“JSCEM”) for the purpose of its inquiry into the 2007 Federal Election and in particular, its review of the *Commonwealth Electoral Amendment (Political Donations and Other Measures Bill) 2008* (“Bill”). In this submission, we supported the proposals contained in the Bill to reduce the disclosure threshold to \$1000 (non-indexed) and to strengthen the disclosure obligations of candidates, political parties and others. We also encouraged the JSCEM to recommend an amendment to the Bill to ban political parties, candidates and others accepting political donations from tobacco companies.

The JSCEM tabled its final report on 23 October 2008.<sup>1</sup> In this report, the JSCEM stated its support for the Bill and recommended two minor amendments. Firstly, the JSCEM recommended that the definition of “electoral expenditure” in the Bill be expanded and secondly, it recommended that anonymous gifts under \$50 be permitted without disclosure obligations on the donor.

The purpose of this submission to the Department of Prime Minister and Cabinet (DPMC) is to highlight our on-going support for the proposals contained in the Bill to strengthen the disclosure obligations of donors, political parties, candidates and others, and to state our support for expanding the types of private contributions to which disclosure obligations should apply. We also take this opportunity to reinforce our view that the acceptance of gifts and other private contributions from tobacco companies should be banned and state our support for the option raised in the Green Paper, that further consideration should be given to whether the receipt of gifts and other private contributions from other “specified donors” should be banned.<sup>2</sup>

Accordingly, this submission responds to the following issues for discussion and comment raised in the Green Paper:

- Should a different disclosure requirement apply to donations over a certain amount? If so, what should the amount be, when should the donation be disclosed and when should the disclosure return be published?
- What kind of private contributions should be covered by disclosure requirements?
- Should electoral laws ban private funding from specified categories of persons and organisations? If so, which categories of persons or organisations?

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<sup>1</sup> Joint Standing Committee on Electoral Matters, Advisory report on *the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008*. October 2008. Available at <http://www.aph.gov.au/House/committee/em/taxlawbill%202/report/fullreport.pdf>

<sup>2</sup> Green Paper, paragraph 10.26.

## **2. Should a different disclosure requirement apply to donations over a certain amount? If so, what should the amount be, when should the donation be disclosed and when should the disclosure return be published?**

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A strong democracy requires transparency and access to information about the political process. In the interests of transparent and accountable decision-making, we believe that the disclosure obligations relating to gifts received by political parties, candidates, associated entities<sup>3</sup>, third parties<sup>4</sup> and Senate groups<sup>5</sup> should be strengthened. Across federal, state and local politics in Australia, electoral and political funding should be transparent, with information on significant gifts and other private contributions being publicly available.

The *Commonwealth Electoral Act 1918* (“Act”) currently requires that donors and recipients disclose any “gifts” that are received with a value above the threshold of \$10,000, indexed annually in accordance with the CPI and therefore currently \$10,900. “Gift” is currently defined under section 287 of the Act to mean:

“..any disposition of property made by a person to another person, otherwise than by will, being a disposition made without consideration in money or money’s worth or with inadequate consideration, and includes the provision of a service (other than volunteer labour) for no consideration or for inadequate consideration, but does not include:

- (a) a payment under Division 3; or
- (b) an annual subscription paid to a political party, to a State branch of a political party or to a division of a State branch of a political party by a person in respect of the person’s membership of the party, branch or division.

Broadly speaking, the term “gift” includes monetary and non-monetary donations, however it does not include monetary and non-monetary contributions received from other private sources such as membership fees, fundraising activities and returns on private investments.<sup>6</sup>

### 2.1 Reducing the disclosure threshold

We are concerned that the disclosure threshold of \$10,000 in the Act (indexed annually to the CPI, currently \$10,900) prevents the public from having access to information about gifts that may be significant, yet less than \$10,900. Furthermore, an individual, entity or organisation may make any number of separate gifts of under \$10,900 to the same recipient in the same

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<sup>3</sup> “Associated entities” include entities that operate or are controlled by a political party, that operate wholly or to a significant extent for the benefit of a political party, that are financial members of a political party or that have voting rights in a political party, s.287 of the Act. For further information about associated entities and their obligations, see Green Paper at paragraphs 3.15 – 3.17, 6.13 – 6.16 and 6.52 – 6.56.

<sup>4</sup> “Third parties” are not defined in the Act, however for the purpose of this submission and the Green Paper, third parties are individuals or organisations that incur “political expenditure”, and are obliged to disclose political expenditure incurred above the threshold (currently, \$10,900) in accordance with section 314AEB of the Act. Political expenditure is defined in section 314AEB(1)(a) of the Act. For further information about third parties and their obligations, see Green Paper at paragraphs 3.25 – 3.29, 6.27 – 6.29 and 6.60 – 6.63.

<sup>5</sup> A “Senate group” comprises two or more candidates for a Senate Election who request to be grouped on the Senate ballot paper, sections 168 and 287 of the Act. For further information about Senate groups and their obligations, see Green Paper at paragraphs 3.20 – 3.21, 6.21 – 6.26 and 6.59.

<sup>6</sup> In part 3.2 of this submission, we encourage the government to expand the obligation to disclose gifts above the threshold, to the disclosure of all “private contributions” received above the threshold.

financial year. These separate gifts may accumulate into significant amounts that are not subject to disclosure obligations by candidates, political parties or associated entities.<sup>7</sup>

We therefore support the proposal in the Bill to reduce the disclosure threshold for donors, political parties, candidates, Senate groups, associated entities and third parties from more than \$10,900 to a flat rate of \$1,000. This threshold should apply to gifts (and as discussed below in Part 3 of this submission, other private contributions) that individually, or given cumulatively over the same financial year, exceed \$1000. We also support the proposal that all related political parties should be treated as one entity for the purpose of the \$1000 threshold.<sup>8</sup>

## 2.2 The frequency, timeliness and quality of disclosures

CCV supports amendments to the Act that would require gifts and disclosure returns to be published with greater frequency and improved timeliness.

Ideally, the current requirement for annual returns by donors, political parties, associated entities and third parties should be changed to a requirement for quarterly returns (as per the United Kingdom). However, if this is impracticable for administrative reasons (as discussed in the Green Paper at paragraph 6.67), we would support the proposal in the Bill to require bi-annual returns, to be lodged eight weeks after 30 June and 31 December each year.

It would also be beneficial for election returns by candidates and Senate groups to be required to be disclosed and published before polling day, rather than after polling day as is currently required and would continue to be required under the Bill. As discussed in paragraph 6.65 of the Green Paper, by requiring election returns to be lodged only after polling day, members of the public are unable to be informed of how election campaigns have been financed when casting their votes. The Australian government should consider a requirement similar to that of the United States, where donations must be disclosed on a monthly basis during elections. Alternatively, consideration may also be given to requiring the lodgment of election returns within, for example, 7 working days prior to polling day, with election returns being required to be published within 3 working days of the polling date if practicable. After the final date for lodgment of election returns has passed, the giving of any further gifts within the election period could be prohibited.

The quality of the information contained in disclosure returns and election returns may also be improved by requiring that all returns include the date amounts were received. This may assist the public to understand whether an amount was received around a particular event or at a time when a particular policy was being considered or a particular decision was being made.

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<sup>7</sup> Currently, only donors are required to disclose gifts that cumulatively, over the same financial year, exceed the disclosure threshold.

<sup>8</sup> *Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008*. Part 1, cl.1.

### **3. What kind of private contributions should be covered by disclosure requirements?**

As discussed above in Part 2 of this submission, only “gifts” that are received with a value above the threshold of \$10,000 (indexed annually to the CPI, currently \$10,900), are required to be disclosed.<sup>9</sup> The term “gift” includes monetary and non-monetary donations, however it does not include monetary or non-monetary amounts received from other private sources such as membership fees, fundraising activities and returns on private investments.

#### **3.1 Contributions received from other private sources.**

Gifts constitute only 20% of the total funds received by major political parties, and 60% of the funds are received from other private sources (such as membership fees, fundraising activities and returns on private investments)<sup>10</sup>. The scope of the current disclosure requirements, and the transparency, openness and accountability of political funding, is therefore limited. For example, boardroom and political party dinners, where individuals, corporations, organisations can purchase an evening with members of parliament, offer extensive opportunities for political lobbying with relatively little transparency. These activities are directed not only at the political party and Ministerial level, but also to MPs at the local electorate level. Funds received through such fundraisers, whether through a one-off event or over accumulated events, over a one-year period, can be considerable. The benefit to a political party or candidate that receives a private contribution via these means is no different, in reality, to the benefit they receive through the receipt of a gift. Indirect contributions are commonly raised, and attendance at fundraisers is often arranged, by associated entities and third parties, whose memberships and affiliations are not required to be disclosed and can be difficult to identify.

While the view may be taken that private contributions of this nature should not be required to be disclosed, given they are not as “private” as gifts<sup>11</sup>, we would take the contrary view.

Firstly, while fundraising activities may attract some publicity, any general media or information about an activity is unlikely to disclose the extent and nature of all significant private contributions given via these activities. The Australian public should be entitled to access information about the extent and nature of any significant private contributions to political parties, candidates, Senate groups, associated entities and third parties. This information should not be available only to persons who may have attended, or may be aware of, particular fundraising events.

Secondly, in the interest of openness and transparency, members of the public should be able to access, via the AEC website, clear, permanent and easily accessible information about all private contributions that exceed the disclosure threshold. The public should not be expected to supplement information about gifts, obtained on the AEC website, with unofficial information (if available) from political parties or through the general media.

We are also of the view that while wider disclosure obligations may increase the administrative burden incurred by donors, political parties, candidates, Senate groups, associated entities and third parties, this burden would be outweighed by the public benefit of

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<sup>9</sup> As discussed above, this disclosure threshold should be reduced to \$1000.

<sup>10</sup> Green Paper, paragraphs 1.12 and 5.3.

<sup>11</sup> Green Paper, paragraph 5.16

a transparent, open and accountable political process that ensures all private contributions above the disclosure threshold are disclosed.

### 3.2 Expanding disclosure obligations to apply to all private contributions

To ensure greater transparency, obligations that apply to disclose gifts above the disclosure threshold should be expanded to an obligation to disclose all private contributions to political parties, candidates and Senate groups. While some exemptions will be required in relation to the supply of certain goods and services for adequate consideration by political parties, candidates and Senate groups, disclosure obligations should generally extend to all private contributions (including gifts) that benefit a political party, candidate or Senate group (“private contributions”).

In other words, donors, political parties, candidates, Senate groups and associated entities should be required to disclose the source and amount of private contributions that, individually or cumulatively, exceed the disclosure threshold. As discussed above, the disclosure threshold should be a flat rate of \$1000. Third parties should also be required to disclose the source and amount of any relevant expenditure or contributions that exceed the disclosure threshold.

To provide checks in the system and ensure the utmost transparency, donors should also be required to disclose private contributions that individually or cumulatively exceed the disclosure threshold. This should include the source and amount of any private contributions that have been received by the donor and are then given by that donor to a political party, candidate, Senate group or associated entity, in full or in part, as a private contribution. Donors should also be required to disclose the source and amount of private contributions given to third parties that are used to fund relevant expenditure or contributions in excess of the disclosure threshold.

## **4. Should electoral laws ban private funding from specified categories of persons and organisations? If so, which categories of persons or organisations?**

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The acceptance of gifts and other private contributions from corporations and organisations can cause the community to question whether certain decisions or policy outcomes may have been influenced by the giving of monetary or non-monetary contributions.

Corporations and organisations often defend their gifts and other private contributions to candidates and political parties on the basis that they have the right to promote their interests and influence the political process like any other group or individual. While CCV does not object to corporations and other organisations participating in the political process, gifts and other private contributions by such organisations – whether monetary or non-monetary – invariably give rise to questions about the relationship between these contributions and influence. Any actual or perceived level of influence can be a particular problem in policy areas such as public health, where the interests of corporations and industry groups can often conflict with the public good and improving public health outcomes. These issues take on a particular significance in the case of tobacco companies.

#### 4.1 Banning private funding from specified categories of donors

CCV supports the option highlighted in the Green Paper, that consideration should be given to banning contributions from corporations and organisations that some people may consider have a negative impact on public health or welfare, such as tobacco, alcohol and gaming companies.<sup>12</sup>

While we accept that it may be difficult to make a judgment in relation to which corporations or organisations are so harmful that they should be prohibited from making gifts or other private contributions, factors such as the following may be taken into account when assessing whether they have a significant negative impact on public health or welfare, thereby justifying a ban:

- The extent of a corporation or organisation’s impact on public health or welfare, i.e. whether the corporation or organisation causes high levels of social disadvantage, disease or death, or high health and social costs, particularly if existing or intended government policy is aimed at minimizing the harm done by the organization or its products..
- The level of damage that may be caused by any public perception that the corporation or organisation has interfered with decision-making, or any perception that it has a legitimate role to play in decision-making and policy development processes.
- The extent of any actual or perceived conflict of interest that may arise should a political party, candidate or other group accept gifts or other private contributions from the corporation or organisation.

If a corporation or organisation has a significant negative impact on public health or welfare, causes high social costs to be incurred and has no legitimate role to play in policy development and decision-making, consideration should be given to banning the receipt of gifts and other private contributions from them. As recognized in the Green Paper, examples of such corporations may include tobacco, alcohol and gaming companies.

In the case of tobacco in particular, the evidence and justification for a ban is overwhelming and already justifies a range of remedial public policies. Tobacco is the leading cause of preventable death and disease in Australia, there is no safe level of human consumption, the interests of the tobacco industry are wholly adverse to public health and in our view, the tobacco industry has no legitimate role to play in policy and decision making processes. For these reasons, the remainder of this submission will focus on why political parties, candidates and others should not be permitted to receive gifts and other private contributions from tobacco companies.

#### 4.2 Banning gifts and other private contributions from tobacco companies

Political parties, associated entities, candidates and members of Parliament should not be permitted to receive private contributions from tobacco companies. As per the discussion above in Part 3.2 of this submission, while some exemptions may apply, “private contributions” should generally include gifts and any other contributions, monetary and non-monetary, that benefit a political party, candidate or Senate group.

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<sup>12</sup> Green Paper, paragraph 7.15 and 10.26.

While, the national and state divisions of the ALP no longer accept gifts from tobacco companies, the National Party and Liberal Party of Australia continue to do so. In the 2007-2008 financial year, Annual Returns lodged with the Australian Electoral Commission show that British American Tobacco Australia donated approximately \$123,800 to the national and state divisions of the Liberal Party of Australia, and Philip Morris Ltd donated gifts of approximately \$96,000.<sup>13</sup>

The tobacco industry is an industry like no other. Tobacco companies produce and market products that are addictive, kill about half of all lifetime users when used exactly as intended<sup>14</sup>, and have no safe level of use. Tobacco products cause death and disease not only to their users, but also to those exposed to secondhand smoke.<sup>15</sup> The overwhelming majority of the tobacco industry's customers commence using their products in childhood, and the overwhelming majority would prefer not to be using their products but continue to do so primarily because of addiction. Tobacco kills approximately 15,500 Australians prematurely each year and continues to cost the Australian community over \$31 billion a year.<sup>16</sup> Notwithstanding this, the goal of the tobacco industry is, of course, to maximize its profits. As Philip Morris' CEO, Geoffrey Bible, wrote to shareholders in 1995, "our one all-consuming ambition is to create wealth for the owners of Philip Morris."<sup>17</sup>

Unlike other industries, there is no space in which the interests of tobacco companies coincide with those of the rest of the community. There is no safe level of tobacco use. Most tobacco use occurs because of addiction. Every dollar of profit to tobacco companies imposes costs – both individual and social – on the rest of the community. Any influence tobacco companies can bring to bear on the policy process benefits them and costs the rest of the community.

The acceptance of private contributions from tobacco companies also assists them in their efforts to create a perception of legitimacy. This has always been vitally important to tobacco companies, which are eager to portray themselves as 'ordinary' companies, rather than companies that profit by selling addictive products that cause death and disease on a massive scale.

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<sup>13</sup> Australian Electoral Commission. Donor Annual Returns. Philip Morris Ltd, available at <http://periodicdisclosures.aec.gov.au/Donor.aspx?SubmissionID=10&ClientID=24240> and British American Tobacco Australia, available at <http://periodicdisclosures.aec.gov.au/Donor.aspx?SubmissionID=10&ClientID=23105>

<sup>14</sup> Doll R, Peto R, Boreham J, Sutherland I. Mortality in relation to smoking: 50 years' observations on male British doctors. *British Medical Journal*. 2004;328:7455.

<sup>15</sup> US Department of Health and Human Services. The Health Consequences of Involuntary Exposure to Tobacco Smoke: A Report of the Surgeon General. US Department of Health and Human Services, Centers for Disease Control and Prevention, Coordinating Center for Health Promotion, National Center for Disease Prevention and Health Promotion, Office on Smoking and Health, 2006.

<sup>16</sup> Begg S, Vos T, Barker B, Stevenson C, Stanley C, Staley L, et al. The burden of disease and injury in Australia 2003. Canberra: Australian Institute for Health and Welfare 2007; Collins D & Lapsley H. The costs of tobacco, alcohol and illicit drug abuse to Australian society in 2004/05. Available at: [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/34F55AF632F67B70CA2573F60005D42B/\\$File/mono64.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/34F55AF632F67B70CA2573F60005D42B/$File/mono64.pdf)

<sup>17</sup> INFACT. People's Annual Report. Global aggression: the case for world standards and bold US action challenging Philip Morris & RJR Nabsico, p .1, citing Philip Morris' CEO Geoffrey Bible, letter to shareholders February 1995. 1998.

#### 4.3 The WHO Framework Convention on Tobacco Control

Australia is a Party to the WHO Framework Convention on Tobacco Control (“FCTC”), the first treaty negotiated under the auspices of the World Health Organization. The objective of the FCTC (Article 3) is “to protect present and future generations from the devastating health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke...”

Australia has committed, under Article 5.3 of the Convention, to protect its “public health policies with respect to tobacco control ... from commercial and other vested interests of the tobacco industry in accordance with national law”. Article 5.3 is understood by the Parties as applying primarily to the processes by which tobacco policy-making is made by governments. At the third session of the Conference of the Parties to the Convention, held in Durban, South Africa, in November 2008, the Parties adopted guidelines on the implementation of Article 5.3. These guidelines recommend that Parties, taking into account national law and constitutional principles, “should have effective measures to prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates or campaigns, or to require full disclosure of such contributions”.<sup>18</sup>

Australia has also committed, under Article 13 of the FCTC, to undertake a comprehensive ban on all tobacco advertising, promotion and sponsorship. Guidelines on the implementation of Article 13, adopted at the third session of the Conference of the Parties to the Convention, identify the “provision of financial or other support to events, activities, individuals or groups (such as.... politicians, political candidates or political parties), whether or not in exchange for publicity, including corporate social responsibility activities” as a form of tobacco advertising, promotion and sponsorship within the terms of the Convention.<sup>19</sup>

Australia is a well-regarded member of the FCTC Conference of the Parties, exercising leadership both through its domestic tobacco control laws and policies and through its constructive participation in the work of the Conference of the Parties. The introduction of a ban on private contributions by tobacco companies would represent best practice implementation of Australia’s obligations under the FCTC and further Australia’s international leadership.

#### 4.4 Indirect contributions by tobacco companies

The Australian government should also give careful consideration to the ways in which tobacco companies attempt to channel private contributions to candidates and political parties, particularly if a ban on direct private contributions is introduced. If tobacco companies are simply able to use intermediaries or “front organisations” to make private contributions, or resort to other similar techniques, a ban may be of limited effect.

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<sup>18</sup> World Health Organisation. Guidelines for implementation of Article 5.3 of the WHO Framework Convention on Tobacco Control on the protection of public health policies with respect to tobacco control from commercial and other vested interests of the tobacco industry, in Annex to Conference Paper 11 (FCTC/COP/3/A/Conference Paper No. 11). WHO Framework Convention on Tobacco Control. Conference of the Parties. Third Session. Durban. South Africa, 17 – 22 November 2008.

<sup>19</sup> World Health Organization. Guidelines for implementation of Article 13 of the WHO Framework Convention on Tobacco Control, in draft First Report of Committee A. WHO Framework Convention on Tobacco Control. Third Session. Durban. South Africa, 17 – 22 November 2008. 22 November 2008. p.28.

For example, there is evidence that in at least some Australian states, tobacco companies have provided financial and strategic support to industry groups, such as the Australian Hotels Association (“AHA”).<sup>20</sup> If support to industry groups or other lobbying organisations continues, and such groups or organizations provide gifts and other private contributions to political parties following the introduction of a prohibition on the receipt of gifts and other private contributions from tobacco companies, these contributions have the potential to undermine the effectiveness of a ban and permit a perception that tobacco companies continue to influence outcomes.

We would therefore encourage the Australian Government to introduce a prohibition on private contributions by the tobacco industry to third parties or donors, or at least a requirement that any individual or entity that makes private contributions above the disclosure threshold within a reporting period must disclose any amount received from tobacco companies.

## **5. Conclusion**

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We thank the Australian government again for this opportunity to provide a submission to its Green Paper. For all of the reasons outlined above, we would encourage the government to amend the Act to:

1. Reduce the disclosure threshold for donors, political parties, candidates, associated entities and third parties to a flat rate of \$1,000 (as proposed in the Bill).
2. Treat related political parties as one entity for the purposes of the disclosure threshold (as proposed in the Bill).
3. Require disclosure returns to be lodged quarterly, or at least bi-annually (as proposed in the Bill), and election returns to be lodged and published prior to polling day.
4. Require all disclosure and election returns to include the date any gifts or other private contributions were received.
5. Expand the disclosure obligations that apply to “gifts”, to require donors, political parties, candidates, Senate groups and associated entities to disclose the source and amount of any “private contributions” that, individually or cumulatively, exceed the disclosure threshold. Third parties should also be required to disclose the source and amount of any gifts and other private contributions that, in full or in part, have been used to fund relevant expenditure or contributions that exceed the disclosure threshold.
6. Prohibit the receipt of “private contributions” from tobacco companies. Consideration should also be given to prohibiting the receipt of private contributions from donors that have a significant negative impact on public health and welfare.

**20 February 2009**

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<sup>20</sup> Harper T, Martin J. Trojan Horses: how the tobacco industry infiltrates the smokefree debate in Australia. *Aust NZ J Public Health*. 2002;26:572-573