

**SUBMISSION ON ELECTORAL REFORM GREEN PAPER:  
Donations, Funding and Expenditure**

To:

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From:

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## ASH Australia

Action on Smoking and Health Australia is a national health organisation committed to reducing deaths, disease and disabilities caused by tobacco products and the misleading and deceptive conduct of the tobacco industry. Founded in 1994, ASH is funded by the Cancer Council and the Heart Foundation.

The ASH Board is chaired by Associate Professor Matthew Peters, a Thoracic Physician at Concord Hospital, and includes experts from the Cancer Council NSW, Heart Foundation, Sydney University and the Royal Australasian College of Physicians. Anne Jones, Chief Executive Officer since 1994, is a policy adviser on tobacco control in Australia, and in the Asia-Pacific region for the International Union on Tuberculosis and Lung Disease on behalf of the Bloomberg Initiative to reduce the tobacco epidemic worldwide.

ASH is a member of several national coalitions aiming to reduce tobacco diseases, including the Protecting Children from Tobacco coalition of 40 organisations and the SmokeFree Australia workplace coalition of 11 organisations.

## Introduction

We appreciate an opportunity to make this submission to the Federal Green Paper process into electoral funding reform.

We believe there is a strong need for reform and have previously made submissions to the NSW Parliament Select Committee Inquiry (2008) and in writing to the Prime Minister and Special Minister.

We agree with the NSW Parliament Select Committee that “there must be significant reform of the electoral funding scheme, an in particular, tighter regulation of political donations.” We endorse the committee’s recommendations, including:

- A ban on political donations by corporations and other organisations;
- Only small donations by individuals permitted;
- Election spending capped;
- Political donations and election spending subject to timely, transparent, accessible disclosure; and
- Greater policing of electoral funding, and tougher penalties for non-compliance.

We believe a comprehensive solution to most of the key concerns can most effectively be achieved by appropriate federal co-ordination. We welcome the Australian Government’s commitment to reform.

We and many other organisations and individuals are concerned that the current Australian political financing system creates inequities between people and between parties and undermines our democratic process. Large donations to parties damage public confidence in government by wielding influence that ordinary people and community groups cannot afford.

Political donations have created distrust and a public perception that governmental decisions are skewed towards wealthy interests and against independent evidence and wider community opinion.

While other countries including New Zealand, Canada, Germany and the UK have acted to reform electoral funding, Australia in recent years has lagged behind - and even in some cases moved backwards – particularly under the previous Federal government, when the annual limit for secret donations was increased to \$10,000.

## Recommendations

Because of these concerns and after consultation, we, along with experts and other non-government organisations, recommend the following ten points of reform:

1. Measures to increase transparency in the source of donations, including:
  - (a) prompt and transparent reports at least quarterly and in the month before an election, to a public website maintained by election funding authorities;
  - (b) requirements for party committees or other fundraising bodies to state the sources of their donations; and
  - (c) a requirement that all funding disclosures must be accompanied by a report from an accredited auditor.
2. A limit on single or cumulative donations – we suggest that this be no more than \$1,000 per year per donor.
3. A total ban on political donations from organisations, including private and publicly traded corporations and trade unions.
4. A total ban on donations from foreign or trans-national entities.
5. Caps on total electoral spending by all political parties and all candidates; and tighter controls over “independent” spending by supporters of parties and candidates.
6. An independent committee to monitor all government advertising campaigns and ensure that public funds be spent for a reasonable purpose.
7. Monitoring of public information campaigns from parties and members to ensure that allocated funds are disbursed throughout the electoral cycle rather than in the pre-election period.
8. In local government, introduction of public funding, conditional on compliance with caps on private funding and transparent disclosure prior to elections.
9. All initiatives in relation to public funding matched by audit, so that funding is spent for electoral purposes – to prevent the emergence of “for profit” candidates for office.
10. Electoral reform to be added to the national agenda for continued review, including at meetings of the Council of Australian Governments.

These initiatives should be matched with suitable, increased penalties for breaching political funding laws, and adequate funding for electoral funding authorities to enforce these laws.

## Conclusions

Reform of our electoral funding system is long overdue. We urge the Australian Government to progress the above measures through a national reform process involving all governments. We look forward to hearing what reforms can be undertaken to create a better democratic process.

Dr Matthew Peters MD FRACP  
Chairman, ASH Australia

Anne Jones  
Chief Executive officer, ASH Australia