

SUBMISSION TO THE INQUIRY INTO POLITICAL DONATIONS:

1. Should there be limits on Campaign Spending levels :

There needs to be limits on campaign spending. The extent that a campaign uses media and advertising has a direct influence on how a large proportion of citizens think and vote and with no limits to campaign spending the candidate with the greatest access to wealth will be in a strongly favoured position to win, regardless of the merit of their ideas. In a true democracy someone should be able to run a successful campaign even though they don't come from a wealthy background.

Furthermore, caps on campaign spending guards democracy against the pressure to seek large sum donations from corporations and wealthy individuals which may then risk making candidates and later members of parliament reluctant to take stands on matters that major donors would be opposed to.

2. Whether or not 'full' or 'partial' public funding of political parties and candidates should be provided

To enable indigenous persons from remote NT communities to run as candidates, where a large proportion of their supporters are indigenous people living on remote communities who have very limited income and where there are few commercial businesses in these communities to rely on for donations – public funding of candidates creates a more level playing field. This guards against democracy and means someone who is not wealthy can also run a successful election campaign based on the merit of their ideas.

In particular I believe public funding for new political parties or new candidates is important, as it guards democracy, providing an opportunity for people to be successful candidates based on the merit of their ideas and not primarily due to their relative wealth. If political parties receive all their income from private donations there is a risk of socioeconomic differences within the society translating also into differences in representation within the parliament, with those from higher socioeconomic levels have much greater chances of being successful election candidates. This in turn leads to differences in access of different groups within the society to political power.

At least 'partial' Public funding of candidates and political parties also limits the likelihood of them feeling pressured to seek large value donations from donors who might want to influence their policies, rhetoric or voting behaviour once they are elected to the parliament.

With partial public funding, the State can play a greater role in encouraging political parties to undertake reforms where needed and to make requirements of parties in regards to disclosing of their income and expenditure. At the point of writing political parties have no obligation to provide audited financial statements even to their members and this is an area that certainly needs reform.

'Partial' rather than 'full' public funding is preferable as to rely solely on public funding risks losing a level of independence from the State and also risks losing their primary tie to the civil society.

3. An appropriate level to cap the value of political donations to parties, groups, candidates, elected members and third party campaigners

Political donation caps are critical. As NSW has legislated to cap the value of political donations, a review of the success of the NSW levels might be considered as an option together with a consideration of what if any weighting factors should be applied to allow for differences in the NSW and NT context.

Measures would be necessary to strictly prohibit donation splitting, whether by the same donor or whether by putting donations through an associated entity.

4. Whether the current donations disclosure requirements are appropriate:

The current donations disclosure requirements are far from adequate. There is a need for:

- i) Real-time disclosure of donations
- ii) Strict penalties for failure to disclose donations beyond merely submitting an amended disclosure report after conveniently avoiding public scrutiny.
- iii) reform of the Electoral Act so that Associated Entities are required to disclose where their funds are sourced from. At the time of writing there are associated entities not disclosed to the public and this is unacceptable and undermines public confidence in the electoral system. The legislation needs to be amended so that associated entities cannot be used as 'front' organisations to hide the source of donations so that corporations and wealthy individuals can donate anonymously.

5. Controls which should apply to the making of political donations :

Whilst the freedom of individuals to donate should be guarded as a democratic right, particular entities or groups of donors should be excluded. These might include for example those entities involved in the production and sale of liquor and tobacco products, pharmaceutical product manufacturers. In particular those entities which if they were to have an influence on the voting behaviour of a successfully elected candidate as a result of donations provided, could have direct implications for the general health and wellbeing of the community or a section of the community.

6. I am unaware of any breaches of the NT Electoral Act in relation to donations made to political parties and candidates in the NT over the past 10 years.
7. Legislative Amendments are needed to ensure that limits on political donations and disclosure requirements cannot be avoided through the use of third parties, associated entities or other means without severe penalties as a consequence.