

**Submission
No 9**

**INQUIRY INTO PUBLIC FUNDING OF LOCAL GOVERNMENT
ELECTION CAMPAIGNS**

Organisation: Residents Action Group for Auburn Area

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ElectoralMatters Committee - Submission to Public Funding of Local Govt Election Campaigns

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Subject: Submission to Public Funding of Local Govt Election Campaigns

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From Residents Action Group for Auburn Area

Prepared by Cr Irene Simms and Laurence Gordon (Chairman)

Authorised by members at Annual General Meeting held on Sept 14th, 2010

Public Funding

Q1 Yes, we support it, as it makes for a more level playing field. Ideally, we support the assumption that it should reduce outside influences in the electoral process, and hence, unbiased decision making.

Q2 There should be a cap on how much can be spent. People with a vested personal or business interest, such as developers, real estate agents and builders, often self fund their own election campaigns (or it is funded by their 'business'). These people who often have more resources, are able to use these to 'flood the campaign with their literature', greatly improving their chances at being elected.

Eg 1: in 1999, the entire cost of funding the election for 2 wards for one group in Auburn, fronted by estate agents in each ward, was funded by the real estate company of which one of the lead candidates was a principle. Obviously it was to the advantage of the 'business' to have its candidates on the Council.

Eg 2: in the 2004 local govt election, our party spent approximately \$4000 (2008 \$4500) on the total election campaign. This was our entire expenditure for 2 wards. Another candidate, a local developer, who coincidentally represented a major party, was able to hire workers to hand out at the pre-polling, advertised for workers on election day and, we believe that approx. 300 people, all wearing t-shirts for that candidate's party, handed out and overwhelmed the booths on election day. The cost per vote would have been astronomical, and there is no way that we, as a small local party, could compete. It is probably worth stating that, on principle, we refuse to accept any donations from developers or such people with an obvious 'vested interest'.

Despite attempts to the contrary, there is no 'transparency' in the donation process. With a \$1000 reportable cap, you simply pay \$999 to each individual and another \$999 to the Party. In Auburn, we have had occasions where the local Labor Party councillors have stated in Council meetings, that the Labor Party has received significant donations from certain developers, but they have then remained in the chamber and have voted on the proposals. In practise, the new 'reportable donations' scheme is a joke.

Similarly, at a grass roots level particularly, the party machine of the major parties gives them a distinct advantage over other candidates, both from a funding perspective and a 'numbers on the ground' perspective.

Q3. The auditing is an onerous problem for small groups. It is difficult to find an auditor who can complete

the job within the 6 week timeframe. The cost is probably more than our income, particularly as it has to be done every 6 months.

Whilst the suggestion that the electoral funding authority should provide the audit is supported, they are presently, apparently, overwhelmed at the volume of work that they are required to do. Adding to this will only exacerbate the problem.

In the 2008 election, we lost a seat in one ward by 16 votes. The electoral commissioner, in his wisdom, decided that, if we wanted any recount, he required us to recount the ENTIRE local govt area (ie both wards), at a quoted price of over \$13,000. As the cost of the count was at his discretion, it appears that he considered 16 votes an unreasonable amount to question. Interestingly enough, at the previous election, we had a recount called against us for a cost of \$3000 approx to the unsuccessful candidate for a 300 vote difference. The commissioner only required a recount of the ward in dispute.

If I, as a Councillor, am aware that a certain councillor has received donations or may have a pecuniary interest, I am unable to call this in Council, as I am then in breach of the Code of Meeting Practise.

Q4 State Govt should finance this. Local Govt is regulated by State Govt., so it should take on this responsibility as part of the deal.

Expenditure

Q5 In 2008 we polled 1518 (first ward) and 2226 (second ward) votes for an expenditure of \$4500. Had we been in a position to spend a larger budget, we believe we may have been able to run an even more successful campaign. If the intention is to reimburse on a 'per vote' figure, we believe that an amount of \$2 per vote received allows for an adequate campaign, but that there should be an upper limit of say \$10,000, but also, that candidates should not be reimbursed more than their actual expenditure.

Q6 No. Particularly for large parties, as the money can be funnelled through head office, or the branch, or the State arm. We believe that significant funds were raised and expended by various candidates at prior elections, which were not declared.

Expenditure, such as negative campaigns, can be funded by using an alias or a third party, who does not lodge a return. There are many examples to be found on the Electoral Funding website of declarations that are reported by the donor, but not by the recipient, and vice versa.

In the most recent local govt election, a number of the candidates had not returned their declarations, prior to polling day, in time to be posted on the EFA web page for the election, yet I wonder whether these were ever chased up or fined (they were reported by one of our members, and dismissed by the EFA)

Q7 The number of wards is a major factor, as multiple wards mean separate advertising; geographical area of the Council ; number of voters; no restriction on amount of advertising material, or number of 'helpers' at booths; number of booths; changing demographics mean that there are many newspapers for other languages that need to be considered to help reach voters.

A suggestion for ways to dramatically reduce the cost and wastage would be to allow all parties to display a 'How to Vote' electronically and also have available an area, within the polling area or even in the booths, where candidates can electronically display their platform, should voters be interested in checking; this way you would not need posters, how to votes, or thousands of people handing out lots of paper outside the election booths, which might make for a more pleasant experience for many voters who have to 'run the gauntlet'. These should also be available in the community languages.

Otherwise, or as well, it would be a good idea to limit the number of posters or/and campaign workers per polling station either outright or related to the anticipated turn out of voters thereat.

Q8 Absolutely. The cap should help make for a level playing field so that major parties or wealthy individuals cannot dominate at the local level the way they can at State or Federal level. This is 'grass roots'

voting, and should be reflected in the cap. We believe that a budget of \$6000 would have been adequate for our campaign in the 2008 election.

Any funding should be calculated 'per voter'. The amount returned to the party, or the candidate (whoever paid the funds) should not exceed the amount spent

Income

Q9 Our funding has been through small donations and small functions, such as bbqs. In our area, other large parties have held dinners attended by developers and the like (apparently, did not require a declaration as each person paid under \$1000 to attend). As a small group we also rely heavily on people donating their time, as we don't have the resources to post out literature, etc.

The 'nil invoice' requirement is problematic, as some people might be happy, for example, to donate a room at their place of business, for a small function to take place , but don't want to get involved in 'invoicing'.

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