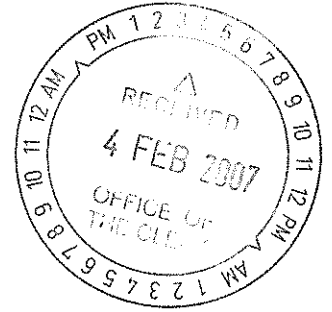


**Submission
No 53**

INQUIRY INTO ELECTORAL AND POLITICAL PARTY FUNDING

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**NSW Parliamentary Inquiry
Electoral and Political Party Funding
Submission by the Inner Sydney Greens**



The system of electoral funding in Australia is broken and is in need of urgent reform. While we believe reform needs to take place throughout Australia, NSW has been a leader in the past and should lead again.

Large amounts of money flow into the coffers of the major political parties each year. This gives donors access to ministers and other members of government. Access is power. This means that those who make large donations to political parties may influence government decisions with resulting benefits to the donors.

This submission is divided in two parts: the issue of transparency of the source of money flowing to the parties in NSW, which is a problem that can be remedied immediately, and to establish a national summit to explore the entire system on electoral funding throughout Australia.

Transparency

NSW State Elections

The NSW Election Funding Authority (EFA) requires all political parties contesting a NSW state election to submit a return showing contributions and expenditure during the four years between elections. Candidates also must submit a return showing donations and expenditure – the time period for their reporting differs depending on whether or not they contested the previous election.

While the disclosure thresholds for parties, groups and candidates are appropriate in NSW in sharp contrast to federal disclosure thresholds, the reporting period is totally inappropriate.

The once in every four year reporting period should change so political contributions and money from fundraising events are disclosed by the political parties every year for the first three years after NSW state elections. During the year leading up to an election, disclosure of donations over \$1500 to a political party, over \$1,000 to a group and over \$200 to each

individual candidate should be made quarterly. The final disclosure should be no later than one week prior to the election.

There should prompt and transparent disclosure of all donations on a public website maintained by the Election Funding Authority. All contributions to a party, group or candidate must be available to the public before an election. We have a right to know who is bankrolling parties, groups and candidates before we vote.

The current practice of releasing this data to the public many months after the state election is totally unacceptable. The last election was in March 2007. However, it was only in December 2007 that members of the public could go to the EFA's office to go through the returns page by page while a member of the organisation has to sit and watch that nothing is removed from the folders. The latter is understandable, but a waste of resources.

At the time of writing this submission (early February 2008) this information still isn't on the NSW EFA's web site

The law needs to be changed so that donations and expenditure data are placed on the EFA web site immediately. . In the 21st Century new electronic methods of data reporting means this would be a reasonable step to take.

Finally there is a loophole available to companies and individual to hide their donations to individual candidates' campaigns in state elections (and this has happened on at least one occasion for a council election) that must be closed.

Many candidates have State Electoral Councils (SEC) that receive money for the candidates' campaign. Each candidate must report the amount of money they receive from their SEC, but they are not required to report the source of that money. For example, a property developer could give a candidate's SEC \$5,000 and the public would not know the candidate is receiving money from that developer. The head office of the party would have to report the developer's donation in their return, but it would be grouped with all the money the party received and not revealed by electorate.

Money given to each SEC must clearly be identified by donor's name in the candidate's return.

Local Government Elections

The reporting of contributions and expenditure in local government elections is especially inadequate. Currently these data are released to the public months after the elections. The only way people can see the data at that point is either to go to the NSW EFA and inspect them there after ringing for an appointment, or to request the data from each individual council.

Again we should have access to information about the money contributed to councillors' campaigns prior to casting our votes. It should be placed on the EFA web site and each council's web site no later than one week prior to the election.

We believe there should be public funding for local government elections. Since this would be a new step it should be taken further than the current public funding for state elections. We think that only those candidates who refuse to accept money from corporations, unions and lobby groups should be eligible for public funding of their campaigns.

Electoral Funding and Expenditure Reforms Throughout Australia

We call on the committee to recommend the federal government convene a national summit to explore all issues of electoral funding and expenditure in elections in Australia. This summit should be composed of members of the public, academics working on electoral policy issues, and representative of all political parties.

We hope that the results of this national summit would be to lead to transparent and fair electoral funding laws throughout our country.

Inner Sydney Greens
Secretary - Peter Stahel