

**Submission
No 111**

INQUIRY INTO ELECTORAL AND POLITICAL PARTY FUNDING

Organisation: Shoalhaven City Council
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Date received: 15/02/2008

COUNCIL REFERENCE: 18854-02
CONTACT PERSON: Greg Roberts
YOUR REF:

13 February 2008

The Chairman
Select Committee on Electoral & Political Party Funding
Legislative Council
Parliament House Macquarie St
SYDNEY NSW 2000

Dear Mr Nile,

Inquiry into Electoral and Political Party Funding

I am writing in response to your letter of 27 November 2007 inviting comment on the discussion paper in regard to Electoral and Political Party Funding.

Underlying the intent of this letter is the following two principles which underlie the context of this submission:

- Parallel Equity – Council supports the concept that the same principles should apply for State and Local Government Election. If candidates in State elections are entitled to raise funds to fund their election campaign, the Council view is that Local Government candidates should also be entitled to do so.
- Council also supports the concept for public funding of political campaigns. The Council view is that such a proposal will apply equity in the electoral process and encourage candidates who may otherwise be unable to present themselves to their electorate.

The delegation considered each issue in the order it was presented in the discussion paper.

In respect to the Election Funding Authority, the delegation concluded that it appears to be operating satisfactorily in respect to the probity of electoral funding. The concept of all donations being immediately disclosed was raised in discussions, and the group concluded that such a system may lead to partisan political gain.

Public funding of election campaigns would encourage equity amongst candidates throughout a small community, and this concept is supported in principle by Council. Inherent in this view is the development of an appropriate system that discourages candidates who may not be seriously seeking election. The system may involve that a candidate is required to receive a certain percentage of votes before being eligible to receive public funding.

The Council view on the sources, amounts and disclosure of political donations is that parallel equity with the State Government should apply. Discussion focussed on the possible need to expand the disclosure of corporate donations to disclose the donors activity. This was not considered necessary as the Local Government Act requires Councillors to disclose their interests on matter including electoral funding donors, when a matter is considered by Council.

The amount of election expenditure and disclosure of the amount expended seems to be operating satisfactorily in respect to the operations of this Council. The delegation supports the continuation of the disclosures being provided to an impartial body following the election. These disclosures are also public documents under Section 12 of the local Government Act 1993 and as such sufficient accountability and transparency exists in the current process.

The group did not support the concept of separate declarations being submitted by each candidate following an election or the concept of limiting the amount of funding from political parties. The only circumstance considered appropriate for an individual disclosure is when a candidate has incurred individual expenses.

The delegation recommends that consideration be given to the application of the public funding formula that applies to the Legislative Council, for local government elections. This concept is supported on the basis that such action discourages the nomination of candidates who may not be truly committed to being a local representative in their community.

In conclusion it is the Council view that the rules that apply to the State Government should be no different to those that apply to Local Government elections. By developing a consistent approach across various levels of Government, the Election Funding Authority would be relieved of some of the burden of administration. This may result in additional resources being available to test the probity and transparency processes relating to elections.

If you need further information about this matter, please contact Greg Roberts, Finance & Corporate Services Group on (02) 4429 3268. Please quote Council's reference 18854-02.

Yours faithfully

Greg Roberts
Executive Support Manager