

**Submission
No 5**

INQUIRY INTO ELECTORAL AND POLITICAL PARTY FUNDING

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Submission to inquiry into political donations

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- Political donations denigrate and debase politicians in the eyes of voters. People understand that when businesses pay money to politicians or political parties, they expect and receive favours in return. Those favours include favourable laws or law enforcement, favourable policies and favourable contracts, access to public assets and the ability to inflict suffering and misery on some people or communities, for personal profit and wealth.
- The only fair democracy is a "Donor-free democracy".
- Many companies claim their political donations, well over the allowable limit, as tax deductions. That means they regard the donations as "expenditure incurred in gaining or attempting to gain assessable income". That means they expect to make a profit out of the donation. However, that means that they are paying people in government to deliver them a benefit and the Tax Act defines that as a "bribe", which is illegal. The Tax Act specifies that "Bribes" are not tax deductible. Therefore the donors are breaking tax laws and defrauding the revenue with the complicity of the politicians who are accepting or sometimes soliciting the donation or bribe.
- Politicians and political parties are controlled by the donors who finance their political election campaigns. It could not be otherwise. This seriously hampers or limits politicians in doing what they believe is right for the state or country. If they do not do what donors want, no matter how bad it might be for some voters and their families, the donors will not finance future election campaigns and the politicians will not get elected. They must do what donors want.
- The current system of advertising, funded by payments by vested commercial interests to Members of Parliament, ensures the election of the best politicians at running election campaigns, instead of the best people at running the government. The consequence is grossly inadequate government performance - as seen currently at both state and federal level. Focus is on the one party leader as that is the cheapest way to advertise and little or no attention is given to the vast majority of politicians who represent electorates. They are simply "seat warmers" elected because of their party, not their competence or caring capacity. There is no need for advertisements at all. Democracy functions best when politicians are elected on their individual ability to take part in government, think strategically and care about the community they represent.
- If we do have to have advertising it should be funded by government and severely limited in cost and to distribution of factual information on the performance of candidates in each electorate. Government funding should be only available to parties and candidates who can demonstrate to the electoral commission that they have not accepted or used one cent of non-government money in their campaign for any purpose whatsoever. No fund-raising, no donations, no bought dinners with ministers. Any party whose politicians or self accepts or uses non-government money in its campaign should be completely excluded from government funding. An amount of funding should be allocated to each electorate and divided equally between the top five candidates who provide written evidence of the most supporters registered to vote in that electorate.

- The current concept of large companies or industries virtually "employing" Politicians to do their bidding in parliament and government runs exactly counter to the concept of democracy as government "of the people, by the people, for the people". Politicians run the state or country for their political parties and their financiers, who invariably plunder the public purse and property.
- The idea of "Double-dipping Ministers" - politicians elected and paid by the people but who sell their time and favours to wealthy citizens at closed dinners is contrary to every aspect of democracy and Australian morals. It is no wonder that in rankings the Australian people put politicians at the bottom of the pole where morality, fairness and honesty are concerned.
- Politicians with a conflict of interest between looking after the voters and their families or looking after their financiers are no better than medieval monarchs and modern dictators who did and do the same.
- Voters are coming to realise that they cannot possibly trust politicians who are paid by private individuals and companies. Their remedy is to combine their votes to counter the effect of Privately Paid Politicians, regardless of policies. They are seeing that this allegiance to party financiers requires them to target their voter campaigns on marginal electorates and make their own electorates marginal, regardless of the attributes of local members.
- People's issues - v - dirty money - politicians cannot serve those who pay to bribe them and the voting public who elect and pay their salaries, both at the same time.
- Politicians in major political parties indulge in the sort of deception and dishonest behaviour that ordinary voters recognise in criminals, tax dodgers and welfare cheats. Politicians passed laws requiring political donations to be disclosed so that voters could see who was paying politicians to do them favours by distorting administration, laws and policies, but the political parties have established companies, trust and foundations to which major vested interests can donate money. Those institutions then donate the money in total to the political parties and politicians so that only the names of those latter entities are disclosed. Thus the politicians avoid obeying the spirit of their own laws, yet they expect voters to obey the laws passed by them. This double standard to hide corruption of democracy is unacceptable.
- We need laws to bar political donors - those who pay money to politicians or political parties for any reason at all, whether as a gift or in return for goods or services, including dinners, meetings or gatherings with government ministers - from dealing with governments and to make them liable to pay into public funds all financial benefits they derive from the action of politicians or political parties who receive money from them. EG the banking, development, liquor, medical, insurance, gaming, legal and accounting industries/professions/businesses should be scrutinised to determine the financial benefits flowing to each from the action of those they pay and those benefits should be paid into a Political Donations Compensation Fund, to be used as determined by voters in a poll at election time. The fund would run into billions of dollars.
- The incompetence, neglect and lack of any serious concern, which voters see in the running of hospitals, mental health services, schools, career development, public housing, public transport, road safety, planning, crime protection, domestic violence prevention, child protection, the legal and judicial services can mostly be traced to Members of Parliament being bribed by donations to ignore the death, misery and injury caused by government, in favour of doing the bidding of those completely self-interested and self-centred individuals and corporations who

desire to make ever-increasing wealth for themselves regardless of whose life it takes or ruins and who ensure that they receive the lions share of our taxes when they are spent and public assets when they are disposed of.

- The net result is that politicians are paid by the people but controlled by donors.
- Voters who want their families to enjoy honest, fair and just democracy must work together to remove from office those who are in the pay of political donors.

IN SUMMARY

Political donations perform no useful purpose in democracy. Instead they ensure election of good "advertisers" rather than good "governors" then they ensure that the will of donors is done rather than the will of voters. Political donations corrupt democracy, political parties and Members of Parliament. Voters know that those who accept payment from vested commercial interests will never serve the community first.

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