

5th March 2020

Submission to the Inquiry into the Donation Disclosure Bill

I welcome the Bill introduced by Rebekha Sharkie to improve transparency over large political donations and attempt to restore confidence in the democratic process. The Bill seeks to lower the disclosure threshold for monetary donations to political parties from \$13,800 to \$1,000. This does not prevent individuals, businesses or organisations from making those same donations above \$1,000. It merely requires that this information is disclosed to public scrutiny.

It is important to have transparency in our democratic political process around monetary donations. It is great that we have public funding in Australia allocated per votes, so parties receive funding directly related to their support from the people. This takes pressure off the party from having to raise money from private funding. Parties are under less pressure to potentially compromise their policies to receive funding from interest groups.

Donating to a political party is a legitimate way for people to be involved in the civic process. People can give money to a politician or party that represents their interests and values. Ideally, people would donate because they agree with what the party stands for, rather than trying to 'buy influence' so to speak. Members of the community and other stakeholders have a legitimate right to privacy in their political actions. Thus, it is important to have a range of non-disclosure (which the Bill sets as up to \$1000). I believe \$1000 is a reasonable upper standard for what the average individual or small business could afford to give to a party they support. It would be interesting to see the statistics of political party donations (where possible). Considering donations from average party members and small businesses, many donations could be below the new \$1000 disclosure limit. Hence, the new bill would not prevent most party supporters from making donations in privacy.

Figures above \$1,000 have the potential to seek some undue influence over a party or candidate. The new bill would ensure that any large donations (presumably coming from organisations or businesses with large lobbying funds) are given proper public scrutiny. Any amount close to

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\$13,800 represents a considerable donation. Instinctively, a party would be more likely to listen to something making such a donation, compared to say, \$990 or \$50. There is concern that people with more money would have more influence, which could sway party policy away from the public good or expert advice. Giving money can give access or a sense of entitlement to dictate to parties what they should do. Parties may feel a sense of obligation, or at least a realisation that turning away from expected policies would lead to a loss of future donations. Political donations from the gambling industry, for example, could keep party policies friendly to gambling profits over the interests of people affected by gambling. The ideal ethical standard would be for parties and individuals to abstain from any funding that could be ethically compromising. This could include money from gambling, tobacco, fossil fuels et cetera. Short of this, having more transparency over monetary donations would allow scrutiny on their potential influence on party policy.

This Bill has important provisions to give transparency around political donations in our democracy and their potential influence over party policy. It would help to restore public confidence in the system, by taking away the potential for interest groups to make large donations without any public knowledge. Donations are a legitimate action of political engagement, but where they have the potential to influence party policy they should be properly publicised and scrutinised. Party policy should always be based on the public good over the interests of donors.

Thank you for considering my submission.

Kind Regards,

Benjamin Cronshaw.