

# Deb Foskey MLA

## Member for Molonglo

Parliamentary Joint Committee on Electoral Matters  
Department of the House of Representatives  
Parliament House,  
Canberra ACT 2600

re INQUIRY INTO TAX LAWS AMENDMENT (2008 MEASURES NO. 1) BILL 2008 on  
POLITICAL CONTRIBUTIONS AND GIFTS

Dear Committee,

Please treat this brief letter as a submission to the Inquiry into Tax Laws Amendment (2008 Measures No. 1) Bill 2008 On Political Contributions And Gifts.

I am asking the Committee to recommend to the Government that it make membership of political parties up to \$100 per annum tax deductible.

The Australian Greens are in the record expressing concern regarding the funding of political parties and political campaigns.

Politics is not in the end a game, and so sporting metaphors – which are incessantly used – only serve a limited purpose. The notion of a level playing field, however, is fairly pertinent.

The kind of democracy that we enjoy in Australia is built on the assertion that every adult citizen (more or less, these days) has a vote and so has an equal say in choosing the government.

In the context of this inquiry there is no need to explore all the different ways that people do or don't influence the choice of government through their contacts and their actions and their work, and the different value or impact their vote might have depending on the size and make up of their electorate, and the nature and context of the campaign itself.

The capacity of some individuals, businesses and interest groups to support a campaign by making donations to political parties, and the encouragement that comes from making some or all of that donation tax deductible, is the point at issue here.

Making donations tax deductible simply added to the advantage enjoyed by those people who can afford to make the donation. It has simply encouraged and legitimised an uneven playing field. The degree to which those donations remain invisible until well after the election they support, and are at times disguised altogether, is an added concern, but that is the matter for another inquiry.

On the other hand, if only membership of a political party (up to, say, \$100) was tax deductible, then the message would be quite a different one.

It has been often remarked that the number of members of political parties, particularly the two biggest ones, has fallen off, and it has been suggested by a range of commentators that this development has put the political parties, and hence political decision making, into the hands of a smaller and smaller, or perhaps narrower and narrower, group of interests.

It would be fair to say that this trend only reinforces the generally acknowledged

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opprobrium in which politicians and political parties are held.

On the other hand, making party membership dues tax deductible is inviting tax payers to become active citizens, and invest in the political parties for whom they will vote. It encourages a broader political participation and thus more representative political parties.

Putting a value on people joining a political party, rather than simply on them making political donations, is about strengthening parliamentary democracy.

Finally, in the interest of ensuring as level a playing field as possible, such an initiative only makes sense if there is a cap on tax deductibility. While membership fees can be set at any level, a cap of \$100 for deductions would be about right.

Roland Manderson,  
For ACT Greens MLA Deb Foskey MLA.  
*18 April 08*