Panel of Experts – Political Donations

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Submission to Expert Panel on Political Donations

I am writing this submission on behalf of the State Foundation Executive of the newly registered Voluntary Euthanasia Party (NSW).

We believe the current system of political donations, expenditure and public funding does require some reform; however, we do not believe that full public funding of State election campaigns and a total ban on political donations is a feasible solution or that it would be in the public interest.

Full public funding of elections and a ban on all political donations

Having read some of the more detailed submissions already posted onto your website, I do not feel there is a need for me to repeat the arguments against the proposal for full public funding and the banning of all political donations; however, I would like to add certain comments from the perspective of a new, minor party.

Practicality

I agree with Professor Anne Twomey (2014), that it would be extremely difficult to devise a fair system and I agree that new, minor parties would be disadvantaged with any of the proposed ways to measure the amount of public funding to be allocated to particular political parties. As a new, minor party, for example, we cannot afford to spend money we do not have with the expectation of being reimbursed following an election if we receive a certain quantity of votes. I agree with all her other arguments as to the impracticality of full public funding for elections.
Effectiveness

I agree with Professor Anne Twomey (2014), that it is highly likely that the major parties, who have managed to get around the current restrictions on political donations, will find other ways to gain an advantage over minor parties and that corruption, or perceived corruption, will continue if there was a total ban on donations.

Caps on political donations

I believe the current cap of $5,000 for parties and $2,000 for candidates is low enough to prevent corruption as long as it is enforced.

Minimum amount for a reportable donation

My Treasurer has suggested that the minimum amount for reportable donations is too low at $1,000. She has said that the paperwork required for donations of this size creates a lot of work, especially for minor parties who have no paid staff such as the VEP(NSW).

We would suggest that minimum reportable donation be raised to $5,000 to make it more workable.

Cap on expenditure

I think it would be good to have a cap on election expenditure, as it is the major parties that tend to take things to an extreme. Take, for example, the scene when I arrived at a polling booth at Double Bay on last year’s federal election day. The Liberal Party did not have the usual corflute posters, they had a continuous roll of vinyl with images of Malcolm Turnbull that stretched the entire length of the public school fence, over 50 metres either side of the entrance. Hardly a level playing field and the Liberal volunteers had the audacity to ask me not to block the images with my single corflute for the Voluntary Euthanasia Party.

Public funding contribution

Considering that NSW has the most onerous criteria for registering a state political party, I think it would not be unreasonable to allocate each political party a set amount to assist in the production of election material such as ‘How To Vote’ flyers, corflutes etc. Even $10,000-$20,000 per party would make a huge difference to the new, minor parties.

Constitutional validity

I do not have the legal experience necessary to comment on the constitutional validity of the proposal but again I agree with Professor Twomey (2014) that any formula would probably disadvantage new, minor parties.

Enforcement measures

Once again I do not have the legal expertise but I do support most of the suggestions made by Professor Twomey in regard to penalties for offences, so that they are ‘commensurate with the seriousness of crimes that involve a breach of public faith’ (Twomey 2014, p. 4). Although I do have concerns about her suggestion to include liability offences because the volunteers who set up small, minor parties may unintentionally breach some of the very strict rules on political donations and the small amounts of money involved are unlikely to lead to corruption, especially seeing that candidates of minor parties are unlikely to ever be successful in their bid to achieve seats in either the upper or lower houses of Parliament.
Donations to be made through an independent body

I did like the suggestion by Andrew Moran (2014) that all donations could be paid through a ’political donations clearing house’ but I think I prefer Professor Twomey’s (2014) suggestion that it be through the NSW Electoral Commission to improve transparency and reduce potential corruption as well as reducing the risk that minor parties may unintentionally accept illegal donations. Speaking from experience it would certainly ‘reduce the administrative burdens and stress on parties’ as she suggests, especially the minor parties who have no paid staff such as the VEP (NSW) (Twomey 2014, p.5)

In the public interest

I believe the people of NSW would not accept the high cost of full public funding of election campaigns. I agree with George Williams (2014) that aspiring politicians should be able to seek financial backing for their campaigns from their supporters and despite the current problems political donations do ‘play an important role in a democracy’ (Williams 2014, p.1).

Yours sincerely

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State Convenor and Lead Candidate

Reference List


