Panel of Experts – Political Donations

Submitted by Anthony D’Adam

Date: 15 September 2014
Dear Dr Schott,

Submission to Expert Panel on Political Donations

Thank you for the opportunity to make a submission to this process. I make this submission in an individual capacity.

I support the proposal for a full public funding model however I recognise the considerable constitutional impediments. In the alternative I make the following submissions in support of a conditional model:

- Full public funding is achievable if instituted on an opt-in basis. This could be done by making all public funding conditional on parties agreeing to not receiving funding from any other source. The public funding system then becomes optional and avoids the problem of constitutional invalidity. The system of disclosure, the caps on donations and caps on expenditure could be retained for those who choose to opt out of the public funding system. Given the current substantial reliance on public funding by all major parties the public funding option would provide a strong incentive for parties to opt in.

- Public funding should be conditional on parties incorporating. Incorporation could be conferred through the formal registration process. Governance standards similar to those applicable under the Associations Incorporation Act should be applied to the internal management of the party’s affairs.

- Public funding should be conditional on party internal processes meeting minimum standards of democratic practice. A registered party must be subject to democratic control by its members. Party disputes should be subject to arbitration through an independent tribunal operating as a “no costs” jurisdiction.

- A proportion of public funding should be tied to the number of party members. This would provide an incentive for parties to expand the level of citizen engagement in their internal processes. An expansion of citizen participation in parties is essential to legitimate a stronger reliance on tax-payer funding of party operations.

- Should donations be permitted then the proposal from Anne Toomey to require donations to be made through the Election Funding Authority (EFA) should be adopted. This would simplify the system of disclosure and enable real time disclosure to occur regardless of party size or administrative capacity. Donors would then not be required to make separate declarations. Payments through the EFA should also apply to payments for party membership. Party membership payments can currently provide a back door means for channelling donations from prohibited donors.

- Parties should also be prohibited from receiving cash payments. All party transactions should be via traceable means. Ancillary fund-raising through auctions and raffles and like arrangements should be prohibited.

I would be willing to appear before the panel to provide further oral submissions if required.

Yours faithfully

Anthony D’Adam
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