



ENDING FOSSIL FUEL DONATIONS

Cleaning up politics

Democracy is not for sale.

Parliament should serve the best interests of all Australians. Those with money and wealth shouldn't be able to buy political influence on issues that matter most, like global warming. The laws on political donations need to be cleaned up, just like the old polluting industries that exploit them.

Fossil fuel companies have donated millions of dollars to political parties in the past few years. It is clear that reliance on this money has sapped the vitality and integrity of Australia's response to climate change.

Billions of dollars in wasteful government subsidies continue to flow to these polluting, dying industries. Meanwhile, clean, emerging industries and the thousands of jobs they can provide remain hamstrung by a lack of support.

In order for Australia to transition to a clean economy, it is essential that all parties cooperate to break the fossil fuel political donations arms race.

At the 2016 election, the Greens will be working with the community to call on other parties to clean up the political process.

> HOW WE'RE EXPOSING FOSSIL FUEL DONATIONS IN THIS ELECTION

We have called on the Liberal and Labor parties to clean up their act by not taking dirty money from the big end of town

The public also has a right to know which polluting industries are making big donations – we're calling for disclosure from political parties before the election, so that voters can make up their own mind about what they are really getting when they cast their vote on election day.

We have also committed to establishing a national corruption watchdog to clean up politics. A number of states have corruption watchdogs and we know that corruption doesn't stop at state borders, yet right now the Federal government is without a corruption watchdog to prevent corruption and investigate allegations of misconduct with its jurisdiction.

> CURRENT LAWS ARE INADEQUATE

The perception of corruption is now strongly associated with corporate political donations¹. Corporate donations have damaged public confidence in Australia's political process.

High Court Justices Kiefel, Bell, Keane and Chief Justice French stated in *McCloy v NSW* [2015] that "reliance by political candidates on private patronage may, over time become so necessary as to sap the vitality, as well as the integrity, of the political branches of government".

Over the last 3 years the Liberals have accepted \$2,365,250, Labor have accepted \$1,108,528, and the Nationals have accepted \$221,787 from fossil fuel companies².

That's almost \$3.7 million of influence that clouds politicians' judgment when debating crucial issues like our sustainable energy future.

Changes to the regulation of electoral funding and political donations system are essential to ensure accountability and transparency. The very high disclosure threshold, currently at \$12,800, allows many large donors to avoid scrutiny.

This high threshold means a donor could potentially donate almost \$1.9 million to a political party and its candidates without ever being identified in AEC disclosures. This is possible if the donor spreads donations around candidates and each amount was under the threshold.

Transparency also needs to be upgraded by increasing timeliness, accessibility of the data and expansion of the information that is supplied.

¹ <http://www.theherald.com.au/story/3408640/opinion-power-of-corporate-patrons/>

² The *Go Fossil Free* report on fossil fuel donations <http://gofossilfree.org.au/wp-content/uploads/sites/4/2016/02/PFP-Polluted-Money-Report1.pdf>

> DEMOCRACY: NOT FOR SALE

The Greens' donations reform Bills would clean up the corrupting influence of political donations through a combination of greater transparency measures and bans on donations from industries that have an unsavoury track record in influencing decision makers.

The Greens Donations Reform Bill would ban political donations from mining, development, tobacco, alcohol and gambling industries.

We don't know if and to what extent businesses involved in these industries have gained advantages and influence from their political donations. However, there is certainly the perception that these companies do not give political donations without expecting something in return.

These industries have all made large donations to political parties and there is strong evidence that such donations influence government policies that affect those industries. Prohibiting these industries from making political donations would be an important step in combating the corrupting influence of political donations.

The Greens' Political Donations Enhancing Transparency Bill resets the disclosure threshold at \$1000; prevents 'donation splitting' by requiring all donations from a single donor in one financial year to be accumulative; bans donations from foreign interests; bans all anonymous gifts above \$50; and tightens up penalties.

> WHAT THE GREENS STAND UP FOR

- A ban on political donations from for-profit corporations.
- A \$1000 cap on donations from individuals (excluding bequests) and not-for-profit organisations.
- A ban on all foreign political donations.
- A ban on universities donating to parties, candidates and third parties.
- A ban on all anonymous donations over \$50.
- Candidates who donate to their own election campaign to be subject to a \$5000 cap.
- Public funding to be set at a reasonable level that reduces corporate influence on political decisions.

Election expenditure

- Strict caps on election campaign expenditure by parties, candidates and third parties.
- A cap on election expenditure to apply for the three months prior to election day, even where the date of the election is yet to be determined.

Disclosure and transparency

- All component activities of private funding, including donations, fundraising activities, membership fees, investments and debt to be properly and quickly disclosed.
- Adoption of transparency measures to ensure that all political donations above \$1000 are disclosed.
- Adoption of a mandatory electronic disclosure system, which allows for online, real-time reporting by political parties, candidates, groups, members of parliament, associated entities of parties and third-party campaigners in the lead-up to an election.
- Donors who make political donations of \$1000 or more to be required to disclose their occupation.
- The terms and conditions of loans from donors to be disclosed, along with repayment transactions.
- Third parties to disclose all electoral expenditure and which political parties, candidates or issues/campaigns they are supporting or opposing.

Penalties

- The AEC to be provided with adequate powers and resources to enforce full disclosure and investigate any discrepancies.
- Compliance with expenditure caps to be a condition of public funding with penalties to apply if the cap is exceeded.

> OTHER PARTIES' POSITIONS

Labor

While in government, Labor had a bill before Parliament to reform political donations – lowering the disclosure threshold to \$1000 and link public electoral funding to actual expenditure rather than a fixed amount per vote. This bill has not been progressed since 2010. Labor does not support a ban on corporate donations, a ban on corrupting industries or tougher disclosure regulations for lobbyists.

Coalition

The Coalition does not support a ban on corporate donations, lowering the donations disclosure threshold to \$1000 or tightening disclosure regulations for lobbyists. The Coalition has fought against reforming political donations regulation, despite numerous MPs being caught behaving corruptly and numerous fundraising vehicles receiving suspect donations.