



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

**COMMONWEALTH ELECTORAL
AMENDMENT (POLITICAL DONATIONS
AND OTHER MEASURES) BILL 2009**

Second Reading

SPEECH

Monday, 16 March 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Robert, Stuart, MP

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Mr ROBERT (Fadden) (1.07 pm)—I think we all agree that what is needed is comprehensive electoral reform. Unfortunately, the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008 does not deliver it. It does not come anywhere close to delivering it. I hear the member for Banks and his impassioned plea for us to take the government, the Labor Party, on good faith—that this bill is one step in the journey, one piece of the jigsaw puzzle—and that we should not seek to solve the whole issue of electoral reform in one bold bill but should take one giant step for man, perhaps one leap for mankind. That argument would be understandable if the Labor Party and the government could be taken on good faith. We took this government on good faith that its \$10 billion cash splash would be well targeted and that economic modelling was in place—Heaven forbid that the Reserve Bank Governor was actually in the same room as Prime Minister and Cabinet when it was discussed—and we took it on good faith that it had sought advice on the bank guarantee and the unlimited guarantee. Every time we have taken this government on good faith, it has fallen into an abyss. To the member for Banks: my good faith has run out—and, I suggest, outside of politics the good-faith barrel is somewhat empty.

There is enormous goodwill on our side for electoral reform. If this government had the courage of its convictions and put up a bill that actually addressed comprehensive electoral reform, we would gladly sit down and work towards a unanimous decision and vote on the bill. If this government had the courage of its convictions—if it truly believed in the merits of electoral reform, including addressing the federal system; looking at public funding, donation amounts and disclosure; addressing caps on donations from individuals and business entities; looking at caps on third-party donations in kind, dollars and advertising; and addressing threshold disclosures and appropriate enforcements—and sought a bill of that magnitude and that depth of reform, I think the nation would applaud, and we would join with the government to negotiate it through.

This bill is partisan—it cherry-picks the bits and pieces that the Labor government wants. It has nothing to do with ‘one step forward on the journey towards electoral reform’. In March last year, it was the coalition which initiated comprehensive terms of

reference to go to the Joint Standing Committee on Electoral Matters. This was supported by the Greens, the then Democrats and Family First but unilaterally opposed by the Labor Party. So spare me your mantra on good faith. Our proposal was comprehensive and addressed all matters which we believed needed to be included in any comprehensive campaign finance reform bill. We are strongly supportive of comprehensive reform. We are not supportive of the partisan approach this government is taking to cherry-pick the bits that will aid and abet them.

I would like to take the government at face value. I would like to say that they are committed to campaign finance reform—and I assume they are. I assume that they will acknowledge that we, on the other side, are also committed. But as the minister knows—and as we know—we have objected over the last 12 months to the government’s cherry-picking campaign on finance reform. This bill seeks to simply address the tax deductibility and disclosure question primarily, which the government have chosen to pull out for their own political purposes. Every campaigner and commentator in the country has talked about the significant levels of interest of the union movement, other third parties, large corporate donors and industry groups, yet none of this is touched on in this bill. The member for Banks and the government would have us believe that this is because the bill is ‘the first step on the journey towards reform’ and that, in good faith, we should trust the Labor government that the subsequent steps will follow in short succession. May I suggest an alternative view, and forgive me for my degree of cynicism: this is all about the Labor Party’s views, and these two isolated pieces of campaign finance reform are good for them and bad for everyone else.

The opposition further believe that there should be stronger penalties for infringements under the Commonwealth Electoral Act. But we note—out of interest and out of historical fact—that the majority of electoral abuses are actually committed by the Australian Labor Party itself: the multiple cases of fraud in Queensland resulting in the Shepherdson inquiry, the Gino Mandarino fraudulent enrolment, the Christian Zahra fraudulent enrolment, and the Wollongong Council sex and bribery scandal. There is no doubt, when you look at the facts, as to where the majority of cases of electoral fraud have come from. We see the frenetic media attention to this long overdue

requirement for campaign finance reform as being driven out of that Wollongong sex and bribery scandal—one of the most perverse abuses of responsibility, of principles and of values that have been witnessed. The Wollongong sex and bribery scandal is certainly up there with all that is wrong with the current system and all that needs to be changed, yet this government comes in here with two cherry-picked pieces of reform rather than addressing reform in totality. Even though the government's green paper specifies the very areas of reform that are needed, the bill hand-picks a few. That is the response we get following on from the Wollongong sex and bribery scandal. The Australian public can be excused for thinking that perhaps the Labor Party does not take it seriously.

Do we see anything in this bill with respect to the excessive influence of the trade union movement on the political process? No, we do not. It is common knowledge that the Australian Labor Party received in excess of \$30 million from the trade union movement in the run-up to the last election. One could be forgiven for thinking that the elements of the Fair Work Bill that are now allowing trade unions unfettered access to businesses, even though there are no union members in that business, to demand and review all records—all pay slips, all medical records; anything with respect to employees—is a simple payback, a \$30 million worth of thanks.

Interestingly, when looking at the impact of the union movement and its dominance and sway over the Australian Labor Party, Senator Ronaldson outlined some details that he had received from the financial statements of the New South Wales branch of the AMWU. He said that under the heading 'National Council Political Fund', on page 3, it had affiliation fees of \$401,846. I think we can safely assume that the fees were not for the Liberal Party but were for the Labor Party, being affiliated with the union. It had donations of \$209,591. I think we can assume that the money was not donated to the Liberal Party. And there was election advertising of \$8,120. That brings in total, for one year, for one union, overtly political expenditure to the Australian Labor Party of \$620,000. And this government does not believe that is worthy of some attention within the political process!

There is also a specific line in these accounts of the AMWU which says 'marginal seat campaign, \$150,352'. That is \$150,352, from the AMWU, for marginal seat campaigning, on top of their \$620,000. And this government does not believe we should be addressing, at the first instance, the rampant influence of the trade union movement and indeed their \$30

million influence on the last election! It is so overt in such an admission as to be unimaginable.

The question is: why is this not part of the cherry-picking legislation before the House today. Why, in addressing comprehensive campaign finance reform were some of these issues not front and centre? No-one believes that the status quo is appropriate. Everyone believes something needs to be done. But I think the Australian people know that the argument of one short step on the journey towards reform is not entirely the truth. The fact that this matter was sparked by an incident, such as the Wollongong sex and bribery scandal, needs to be understood. We have an unprecedented opportunity this time, this day, to make significant improvements to the electoral funding system in this country. There is enormous goodwill for comprehensive reform on this side of the House. There is broad consensus across the political spectrum that our electoral finance system requires serious reform. It requires enhancements to transparency and improvements to the credibility of the entire system. Yet the great sadness is that this bill does very little to address anything. It does not limit the influence of trade unions or indeed third-party associations, advocacy groups or other well-funded third-party entities. It does nothing to limit their influence. Regardless of who is in power and who is in opposition, who sits on which side of the benches, the Electoral Act must be fair and it must be neutral. It must be open and it must outlast governments and indeed outlast our time in political office. It must be above political process. It should serve the nation; it should respond to the requirements and needs of people. It should be better than us all. This issue is too serious to be debased by this piece of cherry-picked legislation.