



Australian Government

Australian Government response to the
Select Committee into the Political Influence of Donations report:

Political Influence of Donations

MAY 2024

Introduction

On 6 June 2018, the Select Committee into the Political Influence of Donations tabled a report titled *Political Influence of Donations*.

The Government's response to the recommendations of the Report follows below.

Government Response to the Select Committee into the Political Influence of Donations report: Political Influence of Donations

#	Recommendation	Government Response
1	The committee recommends that the Australian Government amend the definition of 'gift' under the Commonwealth Electoral Act 1918 to include payments made in return for membership subscriptions and attendance at events and fundraisers of candidates, political parties and associated entities	<p><u>Noted</u></p> <p>The Government notes the recommendation. Given the passage of time, a substantive government response is no longer appropriate.</p>
2	In recognition that expenditure caps on political parties and associated entities would likely divert donations into third parties, the committee recommends that the Australian Government ensure that any mechanism to limit third party expenditure would enable continued democratic participation and advocacy, while removing any unfair advantage that can be enjoyed by interest groups with the largest financial resources.	Refer to recommendation 1.
3	The committee recommends that the Australian Government amend the Commonwealth Electoral Act 1918 to introduce a fixed disclosure threshold of \$1,000, to be calculated cumulatively over a whole party group.	Refer to recommendation 1.
4	The committee recommends that the annual return reporting for political parties and associated entities require much more detailed reporting with specific classifications for each type of income	Refer to recommendation 1.

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	currently listed under ‘other receipts’ to ensure that income is categorised transparently.	
5	The committee recommends that the Australian Government amend the Commonwealth Electoral Act 1918 to require online, continuous real-time disclosure to the Australian Electoral Commission of donations to political parties, candidates and associated entities.	Refer to recommendation 1.
6	The committee recommends that the Australian Electoral Commission ensures that the presentation of political finance data on their website provides greater accessibility and functionality of files to facilitate public research and investigation.	Refer to recommendation 1.
7	The committee recommends that the Australian Government amend the Commonwealth Electoral Act 1918 to introduce a cap on donations to political parties, candidates and associated entities to a maximum value of \$3,000 per parliamentary term. Donations made by the same donor to the same recipient should be aggregated for the purpose of the cap.	Refer to recommendation 1.
8	The committee recommends that the Australian Government amend the Commonwealth Electoral Act 1918 to introduce a ban on foreign donations to political parties, candidates and associated entities. For the purpose of the ban, foreign donations should be defined as donations from a source that is not an Australian citizen or resident, or an entity registered in Australia.	Refer to recommendation 1.

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9	The committee recommends that the Australian Government amend the Commonwealth Electoral Act 1918 to introduce a ban on donations from developers, banks, mining companies and the tobacco, liquor, gambling, defence and pharmaceutical industries to political parties, candidates and associated entities.	Refer to recommendation 1.
10	The committee recommends that the Australian Government amend the Commonwealth Electoral Act 1918 to introduce caps on campaign expenditure by political parties, candidates and associated entities. Expenditure caps should be indexed to inflation and subject to periodic review.	Refer to recommendation 1.
11	The committee recommends that the Australian Government amend the Commonwealth Electoral Act 1918 to: – increase the regulatory powers of the Australian Electoral Commission to monitor and enforce compliance with the political funding and disclosure regime; – expand the regulatory powers of the Australian Electoral Commission to investigate and aggregate donations made below the disclosure threshold; and – introduce strict sanctions and penalties for breaches of legislative requirements.	Refer to recommendation 1.
12	The committee recommends that the Australian Government establish a federal independent integrity commission.	Refer to recommendation 1.
13	The committee recommends that the Australian Government implement a small increase in public funding to political parties	Refer to recommendation 1.

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	given the significant loss in revenue that would occur from implementing donations caps.	
14	The committee recommends that the Australian Government initiate discussions between state and territory governments and the Commonwealth with regard to political donations regulation—including legislative definitions, allowable donors, disclosure thresholds and disclosure timeframes—with a view to developing harmonised laws within two years.	Refer to recommendation 1.