



Public Health Association
AUSTRALIA

Submission to the JSCEM Inquiry into the 2022 federal election

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Preamble

The Public Health Association of Australia

The Public Health Association of Australia (PHAA) is recognised as the principal non-government organisation for public health in Australia working to promote the health and well-being of all Australians. It is the pre-eminent voice for the public's health in Australia.

The PHAA works to ensure that the public's health is improved through sustained and determined efforts of the Board, the National Office, the State and Territory Branches, the Special Interest Groups and members.

The efforts of the PHAA are enhanced by our vision for a healthy Australia and by engaging with like-minded stakeholders in order to build coalitions of interest that influence public opinion, the media, political parties and governments.

Health is a human right, a vital resource for everyday life, and key factor in sustainability. Health equity and inequity do not exist in isolation from the conditions that underpin people's health. The health status of all people is impacted by the social, cultural, political, environmental and economic determinants of health. Specific focus on these determinants is necessary to reduce the unfair and unjust effects of conditions of living that cause poor health and disease. These determinants underpin the strategic direction of the Association.

All members of the Association are committed to better health outcomes based on these principles.

Vision for a healthy population

A healthy region, a healthy nation, healthy people: living in an equitable society underpinned by a well-functioning ecosystem and a healthy environment, improving and promoting health for all.

The reduction of social and health inequities should be an over-arching goal of national policy and recognised as a key measure of our progress as a society. All public health activities and related government policy should be directed towards reducing social and health inequity nationally and, where possible, internationally.

Mission for the Public Health Association of Australia

As the leading national peak body for public health representation and advocacy, to drive better health outcomes through increased knowledge, better access and equity, evidence informed policy and effective population-based practice in public health.



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Introduction

The Public Health Association of Australia (PHAA) welcomes the opportunity to provide input to the Joint Standing Committee on Electoral Matters' Inquiry into the 2022 Federal Election. Our submission will focus on the terms of reference that relate to reforms of political donation laws (a) and reforms to election funding (b).

The PHAA position is that public policy decisions should be made in the public good, in the interests of public health and that the transparency of public decision making must be maintained to ensure integrity. Policies to improve public health and reduce the burden of chronic, non-communicable diseases – such as heart disease and cancer – are often opposed by powerful sectors or corporations. It is important to safeguard public decision-making processes so as to ensure that governments put public health before corporate interests,

Our ***Unhealthy Political Influence*** policy statement, adopted in 2021¹, outlines the PHAA position on unhealthy political influence and the potential for harm to public health.

The regulation of institutional guide rails such as ministerial accountability, transparency of public decision-making, auditing and investigation systems, and effective integrity agencies, are all necessary to ensure public policy integrity. Strong legislative regimes are also necessary to govern corporate lobbying of elected and public sector officials.

Recommendations: In order to improve transparency, integrity and fairness in Australia's electoral process, PHAA:

1. Supports the 'real time' disclosure of political donations and a reduction of the disclosure threshold to a fixed \$1,000;
2. Calls for an outright ban on political donations by business interests where there is evidence of harmful products, services or industrial processes;
3. Supports the establishment of electoral expenditure caps with regard to the public funding of parties, candidates and corporate influence campaigns.

Political donation disclosure threshold

To strengthen the capability of public decision-makers to make policy in the interest of public health, regulation of political influence activities are justified. This must include measures aimed at transparency of corporate influence into political and electoral processes, corporate lobbying and the protection of public decision makers, political agencies and institutions from corporate influence.

PHAA believes that ideally, donations to political parties by corporate interests should not occur at all. In the absence of general bans on corporate political donations, PHAA alternatively supports low-level caps on the amounts of corporate donations. Caps on corporate political donations have been enacted in Australia in several state jurisdictions including New South Wales², Victoria³, Queensland⁴, and the ACT⁵. However, there are no caps on donations towards federal political parties and federal elections.

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Reducing the indexed disclosure threshold for federal elections, which was set at \$14,500 for the 2021-22 financial year⁶, is an important measure for improving transparency. The PHAA supports a reduction in the disclosure threshold to \$1,000, in line with donation laws in New South Wales, Victoria and Queensland⁷.

The current timeframe for disclosure is far too long. The requirement of reporting in February for the previous financial year means that many months lapse before political donation disclosures are published. To improve transparency, donations should be disclosed in a very short time frame (for example, 7 days).

The benefit of these reforms will be limited, however, unless there are also significant improvements to the format, usability and accessibility of political donation data. Australian political parties collectively reported \$177 million in income in the 2020-2021 financial year, but only 'a tiny fraction' of that sum is identifiable⁸. For political donations data to be effective, the data needs to be accessible, in a meaningful way, so constituents can judge the significance and influence of those making donations⁹. Changes could include 1) providing data in machine readable formats (e.g. .csv file) and 2) assigning all donors and recipients a unique ID to facilitate a data search.

This data should also be consistent and streamlined in all Australian jurisdictions. The federal, state, and territory schemes for registration and disclosure of political donations and spending should be integrated in a manner which allows for effective scrutiny of movements of finance and resources between jurisdictions.

Ban on harmful corporate donations

Corporations that earn revenue from products that are harmful to public health, such as tobacco, alcohol and gambling, make sizeable donations to political parties and candidates to build relationships and influence policy decisions¹⁰. There is clear evidence that the alcohol¹¹ and tobacco¹² industries use monetary donations as part of aggressive lobbying tactics in seeking to delay regulation, including the introduction of mandatory health warnings. Despite commitments from some major parties to ban donations from companies that profit from harmful products, such as tobacco, the current system allows for large donations to be made without disclosure, while donations above the disclosure threshold are difficult to identify and track¹³.

Ideally, the PHAA supports bans on all donations from specific business sectors for which there is clear evidence of association with harmful products, services, or industrial processes ('unhealthy corporate sectors'), including:

- i. tobacco/nicotine industries
- ii. alcohol industries
- iii. food and beverage industries responsible for products featuring added sugar, sodium, and saturated and trans fats
- iv. mining, fossil fuel, and non-renewable energy sector
- v. pharmaceutical sector
- vi. private health insurance sector
- vii. gambling industries
- viii. commercial advertising sector
- ix. defence/military industries

Bans on political donations from corporate interests in specific highly regulated sectors have already been enacted in New South Wales¹⁴, Queensland¹⁵, and the ACT¹⁶. The High Court has upheld the validity of such laws^{17 18}.

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A ban on political donations from tobacco and nicotine industries aligns with Australia's commitment to the World Health Organisation (WHO) Framework Convention on Tobacco Control (FCTC), which states that there should be effective measures to prohibit tobacco industry contributions to political parties, candidates or campaigns¹⁹. The first principle of the Health Department Guidance for Public Officials on Interacting with the Tobacco Industry recognises that "there is a fundamental and irreconcilable conflict between the tobacco industry's interests and public health policy interests"²⁰.

Restrictions on donations or donation caps must also extend to third parties acting on behalf of harmful commercial industries.

Electoral spending caps

Bans on some corporate donations and limits to political donations should be achievable without diminishing the democratic process. The limits PHAA has proposed could be complemented by appropriate and transparent financing from other sources. The public funding of elections²¹ and political parties could be increased, for example, to allow for operational costs, engaging members, promoting policy positions and running election campaigns.

An increase to public funding, paired with electoral expenditure caps would level the playing field in Australian elections and provide adequate resources for all candidates, including new candidates and political parties, to promote their policy platforms²².

However, it is also important to implement safeguards to ensure restrictions on election spending and campaign caps do not create an advantage for major, established political parties and incumbents. There are reports new campaign funding laws in Victoria have restricted the ability of new entrants to fund campaigns, while exemptions to donation caps favour established parties²³. The PHAA believes donation caps or limits to election spending must ensure true equity. Such reforms would need to allow for adequate funding of political parties and that fledgling political parties or new independents are not put at a disadvantage due to the fact they have not previously had access to public funds²⁴.

As well as limits to donations and spending caps, the PHAA believes all Australian parliaments should enact strong legislative regimes governing corporate lobbying of elected and public sector officials. Some activities, including financial dealings between business sectors and political parties, should be prohibited, while other activities should be made transparent.

Lobbying and activities to access and influence public servants are a legitimate form of political activity²⁵. However, lobbying may cross bounds of democratic principles if it is done in secret, involves corruption or misconduct or if it involves unfair access or influence²⁶. Reforms proposed by the Human Rights Law Centre, such as a requirement for professional lobbyists to register and disclose meetings, the introduction of a cooling off period for ministers and their staff before entering some corporate roles and the introduction of a strong federal integrity commission, would help improve transparency²⁷. The Grattan Institute recommends the lobby register should extend to commercial and in-house lobbyists²⁸. All meetings with parliamentarians, advisors and staff employed by the government, in addition to ministers, should be disclosed. Registers should also be required to disclose any former government employee, former positions, and the date of cessation of employment.

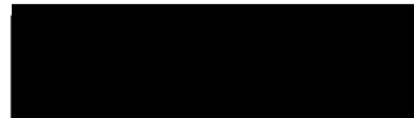
Conclusion

The PHAA appreciates the opportunity to make this submission. Please do not hesitate to contact us should you require additional information or have any queries.



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7 October 2022



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