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Political donations and polluted politics

In recent years there has been a pernicious influence undermining Australian democracy. That influence is the growing practice of large corporations, and in particular mining and resource companies, donating large amounts of money to either the political party in power or the opposition that the donor thinks might soon be in power.

Under the Corporations Act, directors have an obligation to always act in the best interests of their corporation. When a company makes a political donation the directors must believe that the money will in some way be of benefit to the company, either directly or indirectly.

These companies are not charitable institutions and they must expect some return on their investment. Politicians receiving such donations consistently say that this targeted money does not affect their decisions. Really? I would suggest that their track records do not pass the pub test.

In fact, in August 2015 AGL Energy said as follows: "While political donations from companies like AGL are not prohibited under legislation, we recognise that the community perception is that they may constitute undue influence from 'big business' on government"

There is always a long delay between the making of the donation and its publication. Even when donations are put onto a government website the average voter never sees or hears about them.

There is of course always the issue about whether the donor corporations and the recipient party will properly comply with the law. I was heavily involved in the recent campaign against AGL's coal seam gas project at Gloucester. When a company makes an application to undertake a major development it is supposed to declare details of its political donations. Members of the Gloucester community spent hours researching AGL's donations history and discovered that there were many occasions when AGL had not disclosed political donations as required by the law. AGL recently pleaded guilty to 11 breaches of the political donations laws. However, these breaches would never have come to light but for the diligence of some determined individuals.

When you examine the donations made during a particular period what stands out is that often amounts are paid to attend fundraising dinners where senior government members will be present. NSW Government Ministers are required to make their work diaries publicly available for inspection, however, that disclosure requirement does not apply to such things as party fund raising dinners where a company can pay an amount to have someone attend and even sit next to a Minister. What is then discussed is never disclosed to the public. Executives and directors of companies do not pay to attend these events unless they consider it will be of some benefit the company.

It would probably be impossible to ever prove a direct connection between a political donation and a government decision. However common sense dictates that there is a connection between donations and government decisions that favour the corporations or the particular industry.

The 'revolving door' between resource companies and government is well documented. Greens Senator Larissa Waters has identified a list of 27 past Liberal, National and Labor politicians and staffers who went on to work for fossil fuel companies including working as lobbyists, public relations consultants or in other influential positions.

Democracy is about how the whole system operates to ensure that influence is not bought by any particular section of the community. There is a perception that the rich and powerful are exerting undue influence on the political process and that the average voter is being treated with contempt. Property developer political donations are banned – why do mining and resource companies remain free to buy political influence?

NSW Greens Senator Lee Rhiannon states that "the corrupting influence of political donations that the Liberal, National and Labor parties receive from the fossil fuel sector will only stop when these donations are banned. It is necessary if we are going to make our Paris Climate Change Conference targets a reality".

According to the 350.org report, since 2013 the mining sector has donated \$3.7 million to the major parties. These donations are polluting our politics.

We need to clean up the political process, boost grassroots democracy and get communities back into decision-making. Everyone needs to have their voice at the table.

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