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accountability

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Democrats--Strong, Effective Accountability Check

The Australian Democrats have endeavoured to maintain the high levels of activity in accountability across all portfolios to constantly encourage measures of transparency and honesty in our system of government. The role of the Democrats in keeping the Senate strong and accountable is as vital as ever in the current political climate.

I hope you find this newsletter of interest and I welcome your feedback.



Dear Mark & John: what about a double-somersault on the Life Gold Pass?

For well over a decade the Democrats and a few independents have called for parliamentarians' superannuation to more closely match community standards.

The Life Gold Pass is another anachronism whose time is up.

The Life Gold Pass is a taxpayer funded free air and rail travel perk for qualifying retired parliamentarians and their spouses costing up to \$2 million a year.

Apart from retired members of some private sector air or rail corporations, and federal and some state politicians, retirement travel benefit schemes are non-existent.

There are essentially three categories of entitlements afforded to Members and Senators. These are their salary package; what they need to do their job; and their 'retirement package'.

The first includes matters such as salary and fringe benefits (car and other benefits). The second includes electorate allowances, office expenses, and staff allocations. The third includes superannuation and retirement travel benefits, including entitlements available under the Life Gold Pass.

Great improvements have been made in accountability measures to better audit, control and manage what parliamentarians use and need to do their job. Now the long and justified public attack on excessively generous retirement benefits is at last bearing fruit.

The Democrats oppose the Life Gold Pass. Let's add it to the redundancy list.

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STOP!

Time to ban political donations from overseas

Unlike a number of other countries, foreign political donations are not banned in any Australian jurisdiction. While the issue of foreign donations has been less contentious in Australia than in some other countries, there is real concern.

The Democrats have long called for donations from overseas entities to be banned outright. Donations from Australian individuals living offshore should be permitted.

One of the main reasons is that donations to political parties and candidates by foreign individuals and organisations can be used as a means of avoiding disclosure requirements.

While the recipients of such donations must still disclose details of the donor if the donation exceeds the disclosure threshold, there is no way for the Australian

Electoral Commission to ensure that the donor was the real source of the money.

In its handbook, *Funding of Political Parties and Election Campaigns*, the International Institute for Democracy and Electoral Assistance say: *"The most obvious danger comes from foreign funding. If a governing party depends heavily on financial resources provided by foreign governments or especially multinational corporations, their influence may undermine national sovereignty and the democratic principle of self determination."*

In the United States, it is unlawful for foreign nationals to make donations. US citizens living abroad can still make donations. Canada prohibits foreign donations.

In the United Kingdom only permissible donors can donate—those on the electoral roll or registered corporations. The latter category is complicated by European Union membership. Germany stipulates that parties have to *"publicly account for the sources and use of their funds and for their net assets."*

Table 1. Funds from overseas sources, 1998/99 to 2002/03

The Federal AEC on-line disclosure returns show that in the four years to June 2003 Australian political parties received \$607 178 from overseas sources (Table 1). Of the \$607 178, \$86 413 appeared to come from individuals. Whether these persons living overseas were on the Australian electoral roll is unknown.

We secured Labor support for my motion to resuscitate an inquiry on electoral funding and disclosure. It will report in August.

Making sure there can be no foreign influence in domestic politics is a big issue in other countries. It should be a big issue here too.

Party	Total (\$)
Liberal Party	255,275
Australian Labor Party	172,029
Greens	170,564
Citizens Electoral Council	7,110
Australian Democrats	2,200
Total	607,178

Source: Donors or associated entity returns, and party returns, 1998 – 2003, AEC website.



Protecting whistleblowers--the community 'bell ringers'

In the Netherlands, whistleblowers are also known as "bell ringers", after those courageous individuals who ring church bells when danger is imminent.

We continue our campaign for the Whistleblower Protection scheme which is an important and necessary part of maintaining a good public administration framework which serves the public interest by eliminating fraud, impropriety and waste.

Whistleblowers play an important role in ensuring the accountability of government. They must be protected from retribution. Unfortunately, some really do pay a high price for their commitment to integrity.

Effective whistleblower legislation is a major step in encouraging people in the public sector to speak out against corruption and impropriety. Despite strong and generally unanimous Senate pressure, certainly since 1994, successive federal governments have shown a reluctance to embrace this principle and to establish comprehensive protection for whistleblowers.

The 2004 Global Corruption Report by Transparency International recognised that the Democrats *Public Interest Disclosure Bill 2002* is the only whistleblower protection bill before the Senate. It has been scrutinised by the Senate Standing Committee on Finance and Public Administration. It has been modified as a result of recommendations made by the Committee which supported the principles espoused by the bill. It deserves to be passed.

Hard Line on Government Advertising

The Democrats successfully moved a joint Senate notice of motion with Labor support late last year enforcing an order for tougher controls on government advertising.

However the Coalition Government have refused to comply with the order. We have actively campaigned since the early 1980s for more controls on government advertising.

We actively support information and advertising designed to inform Australians of government services. However government advertising whose real intent is to put out party political propaganda needs to be reined in.

All governments have been guilty of this practice but under the Coalition Government, the scale and cost has escalated, resulting in great controversy. The Democrats believe that the unfettered right of government to spend taxpayers' money on its advertising campaigns must be curtailed.

Campaigns for work for the dole, cheap medicines, the GST and defence recruitment have run at more than double and sometimes treble the rate of such campaigns of the previous Labor administration!

In the four years 2000 - 2003, the Government spent about half a billion dollars on Government advertising. Some of this was blatantly political rather than policy driven.

It has become standard practice for the Government to run heavy advertising campaigns in the lead up to an election year.

Since the Coalition Government has been in power, the advertising bill has rocketed. A prime example is the GST advertisement, which topped \$204 million.

DEMOCRATS' ROLE IN THE SENATE

Here's an overall view of the various other areas which the Democrats have campaigned strongly on in the area of accountability. While we have achieved notable milestones in many instances, we have had some setbacks. However, we will continue our fight for greater transparency and openness in the Senate.



Appointments on Merit

The Democrats are concerned to ensure that appointments made to the governing organs of public authorities— institutions set up by legislation, 'independent' statutory authorities or quasi-government agencies—be made in a process which is transparent, accountable, open and honest.

Presently, there is a widespread public perception that Government appointments result in patronage to handsomely remunerated positions. This perception of a lack of appropriate independence and meritocracy can damage the reputation of these bodies. So far, Labor and the Coalition Government have rejected Democrats' amendments to ensure that appointments are made on merit 22 times!

One of the main failings of the present 'system' is the absence of umbrella legislation that sets out a standard procedure regulating the procedures for the making of appointments.

Appointments to statutory authorities are left largely to the discretion of the Minister with the relevant portfolio responsibility. Most importantly, there is no external scrutiny of the procedure and merits of appointments by an independent body.

The Democrats' Charter of Political Honesty Bill proposes mechanisms to promote appointments on merit, along with a range of other accountability reforms.



Freedom of Information

Unless citizens have the power to access and independently scrutinise government information there is little prospect of having a genuinely deliberative and participatory democracy. FOI opens the government's activities to scrutiny, discussion, comment and review and promotes a robust democracy.

Current Commonwealth FOI laws are not working. Following Committee review, the Democrats re-introduced legislation, the *Freedom of Information Amendment (Open Government) Bill 2003*, to affect the most comprehensive reform of the FOI Act since its inception in 1982. This Bill is a refinement of our *Freedom of Information (Open Government) Bill 2002* which takes into consideration changes recommended by the Senate Legal and Constitutional Legislation Committee.

The Democrats' FOI Amendment (Open Government) Bill* proposes to:

- Establish an independent FOI Commissioner to oversee and monitor the Act with the role to be conferred on the Commonwealth Ombudsman;
- Broaden the scope of information that can be accessed under the Act;
- Create a fairer, more reasonable fee structure, abolishing many existing fees altogether;
- Reduce the time limit for the processing of FOI requests to 21 days;
- Require that education strategies be developed and implemented to inform government agencies of their FOI responsibilities; and
- Audit internal review systems and processes of agencies to facilitate reform to ensure that applicants have access to competent and efficient internal review.

This is a package of measures that enjoys a considerable degree of support among a range of stakeholders, and would greatly advance Commonwealth FOI laws. It now becomes a question of political will as to whether they will be implemented.

*The Democrats FOI Bill was largely based on the Australian Law Reform Commission's Open Government Report.



Post-Ministerial Appointments

The danger of any potential conflict of interest is real when an ex-Government Minister or senior official takes up consultancy work in areas closely linked to their portfolios.

The Australian Democrats have long fought for a 'cooling off' period for departing Ministers and senior bureaucrats to curb any potential conflict of interest in their next place of employment.

Departing Ministers and senior officials should not enter the commercial sector where their insights and wealth of information from the Government might be used for extensive private gain. The community is rightly concerned about the role these former ministers will play in organisations.

The Democrats' introduced the *Ministers of State (Post Retirement Employment Restrictions) Bill* which sought to deal with the difficult issues surrounding post ministerial employment.

This Bill sets out standards that the Government should have implemented a long time ago to bring Australia in line with the standards that apply in democracies throughout the world.



Secrecy

Fundamental to the maintenance of the principles of accountability, transparency and the public interest right to know is the minimal use of secrecy by government. Blanket secrecy is unacceptable in government if Parliament is to fulfil its function and remain open and accountable to the people.

Secrecy is only necessary for genuine reasons of security and privacy. 'Commercial confidentiality' clauses are often just a bureaucratic or political device to avoid proper public scrutiny of government documents. By limiting secrecy, the role of Parliament is enhanced by ensuring openness and accountability in government.

The Democrats initiated a successful Senate Order that requires ministers to table letters annually advising that the agencies under their administration have placed lists of contracts on the internet.

The list of contracts is an accountability mechanism designed to alert the Senate and was a response to the growth in the outsourcing of government functions and the corresponding proliferation of government contracts, many of which contain a large number of confidentiality provisions.

As the Order requires contracts with confidentiality clauses to be identified, it is a key for opening contracts up to parliamentary scrutiny.

Ministers must also table disclosure if the published lists are not up to date, as not all relevant agencies are included and neither are confidential contracts.

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Ministerial Code of Conduct

The Democrats call for an enforceable code of conduct for Ministers and Members of Parliament and greater transparency in internal political party procedures.

Presently, the Commonwealth only has a Ministerial guide to conduct but no code of conduct for parliamentarians. Parliament must act to set ethical standards for all of its Members and Ministers.

The Democrats' *Charter of Political Honesty Bill 2000* called for the establishment of a parliamentary joint committee to develop a code of conduct for ministers and other members of Parliament.

A code of conduct will:

- Clarify what is required of parliamentarians in the exercise of their duties;
- Act as a public statement of the minimum standards of behaviour that the public and the media can and should insist upon;
- Establish the Office of Commissioner for Ministerial and Parliamentary Ethics to enforce the code; and
- Allow any breaches of the Code to be reported to Parliament by the Commissioner along with any appropriate disciplinary recommendations.

The Democrats have campaigned for this measure for some considerable time. We regard it as an important step towards improving parliamentary standards.



MOPS Staff Audited

In December the Auditor-General's Report no. 15 of 2003-04 - Performance Audit - Administration of staff employed under the *Members of Parliament (Staff) Act 1984* was tabled. It follows Report No. 5 in 2001 into Parliamentarians' entitlements.

This is the first audit of the staff of Members of Parliament since Federation. Like Report No. 5, Report No. 15 was initiated by me for the Democrats, with Labor support.

The Democrats welcome tighter controls on staff expenditures. Over time, we believe millions of dollars will be saved. The greatest impact will be during election campaigns where it was quite clear that considerable licence was being taken.

We urge the Government to rapidly implement the recommendations in this audit report. The Government must send a clear message to the Australian people that much tighter checks on staff entitlements will result.

It is vital that clear rules exist for transparency and accountability, not only for Parliamentarians, but for all MOPS staff.

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