



Business coy about political pay-offs

**ANDREW
MURRAY** finds
shareholders
can be unwitting
electoral donors

THE federal election is over and the fever of political fund-raising has abated for the time being. Did business get its pay-off, whatever that was?

Just why did those companies give all that money and what were they expecting to get back? Who decided to donate and how was that decision made? Did anyone ask the owners, shareholders? Did shareholders think the donations a good use of their money?

Half of all Australian adults own shares and there is evidence that they are increasingly active shareholders. Those shareholders are definitely not all Liberal or National voters — far from it.

Nor do companies mostly give to the Liberal party — the bigger companies are just as likely to donate to Labor and claim not to be buying an outcome. They are just supporting the political process, support no particular policies and desire no particular outcome. As most Australians would say, yeah right.

Election campaigns are very expensive. Parties rely on tens of millions of donations from unions, individuals and companies.

I wanted to know more about what drives corporate Australia to donate, how corporations manage political donations and what they tell their shareholders.

I decided to survey a random sample of 57 of the top 400 corporate donors to parties. This happened well before the election.

I wasn't just sticky-beaking. I've long been the Democrats' corporate affairs and electoral matters spokesperson, and sit on the Joint Standing Committee of Electoral Matters.

The results of my survey were extraordinary. Corporate Australia is cagey, evasive and uncomfortable about political donations. Just seven companies responded in writing and only three of those answered the survey in part or full.

Those companies that did respond were circumspect and more than half chose to write a brief letter outlining a non-committal response rather than answer the survey.

Not one company was prepared to provide a board policy on corporate donations. Only two companies said they had one and then that it was a private document. Public companies with private political policies. Mmmm. Not one company had a shareholder-approved policy on corporate donations.

However, one well-known public company wrote, "The decision [not to make further political donations] was based upon the strongly expressed views of shareholders that the use of their funds to make donations to political parties was a subject for them to decide rather than for the board."

All I can conclude from this exercise is that corporate Australia is unwilling to be transparent and open about political donations and the rationale for making them.

Perhaps the shareholders or the Australian Shareholders Association should use the opportunity of the next AGM to ask why their companies are paying donations to political parties when the companies claim to gain no benefit from doing so.

Senator Andrew Murray is the Australian Democrats spokesman on electoral matters