



# Electoral Legislation Amendment

## (Electoral Funding and Disclosure Reform Bill)

### Purpose

VACCHO opposes the *Electoral Legislation Amendment (Electoral Funding and Disclosure Reform Bill)* and urges the Federal Government to exempt Australian charities registered with the Australian Charities and Not-for-profits Commission from any legislation that bans receiving international philanthropy

### Background

The *Electoral Legislation Amendment (Electoral Funding and Disclosure Reform Bill)* directly impact charities and organisations with Charitable Status that advocate on public health, ethics regulations, medical research, environmental protection and Aboriginal issues.

This could potentially impact VACCHO and its Member organisations.

The definition of “political expenditure” in s 314AEB was broadened by the *Electoral and Other Legislation Amendment Act 2017*. Political expenditure would be defined to mean “expenditure incurred for one or more political purposes.” The Bill introduces the phrase “political purpose” for the first time. A political purpose includes:

- a) The public expression by any means of views on a political party, candidate in an election or a member of the Federal Parliament;
- b) The public expression by any means of views on an issue that is, or is likely to be, before electors in an election (whether or not a writ has been issued for the election);
- c) The communicating of any electoral matter for which particulars are required to be notified under s 321D (which requires certain electoral communications to be authorised);

- d) The broadcast of a political content regulated under s 4(2) of Sch 2 of the *Broadcasting Services Act 1992* (which, put simply, applies to a “political matter”);
- e) Opinion polling, and other research, relating to an election or the voting intentions of electors.

### Current situation

*Electoral Legislation Amendment (Electoral Funding and Disclosure Reform Bill)*

VACCHO and its member organisations do not currently receive international philanthropic donations but this may change in the future.

There is a difference between donations to political parties (the primary target of this legislation) and philanthropy for charitable purposes and it would damage the functioning of many organisations that regularly contribute to public policy discussion and advocate on behalf of the most disadvantaged members of the community.

International philanthropy makes an important contribution to Australian communities and Australian charities have a very high public value and contribute greatly for the public benefit.

Charities are already regulated by the Australian Charities and Not-for-profits Commission which has powers to investigate and impose serious sanctions for any breaches.

*Electoral and Other Legislation Amendment Act 2017 (broaden the definition of “political expenditure”)*

The Bill considers that an organisation is a “political campaigner” if it:

- (a) Incurs more than \$100,000 of “political expenditure” in any of the previous four years, or

- (b) Incurs \$50,000 or more in political expenditure where that represents 50% or more of their annual budget.

Organisations that meet the definition of a political campaigner would trigger the following consequences:

- An obligation to register as the appropriate organisation type
- Increased disclosure obligations (including financial information and the political party membership of senior staff)
- An obligation to nominate a 'financial controller' on whom several obligations fall

The phrase "public expression by any means of views" includes not just campaigning via advertising and the media, but also activities like producing a submission and giving evidence to a parliamentary inquiry, engaging with a United Nations body looking into Australia's domestic activities, or producing a research paper published on an organisation's website that contains some conclusions.

There may be increased scrutiny on charities public advocacy role and it may have a consequence of self-censorship and decrease charities role in advocating on important issues.

The Federal Government must exempt Australian charities registered with the Australian Charities and Not-for-profits Commission from any legislation that bans receiving international philanthropy