

15 February 2018

Dear Secretary,

I took questions on notice from Mr Ben Morton MP in my appearance before the Committee on 14 February 2018.

The first was whether the Australian Electoral Commission's current interpretation of section 314AEB of the *Commonwealth Electoral Act 1918* (Cth) (unaffected by amendments made by the *Electoral and Other Legislation Amendment Act 2017* (Cth)) meant that this section was not restricted to public expression conducted after the issue of the writs for an election. Upon reflection, I will refrain from answering this question as it is more appropriately answered by the Australian Electoral Commission.

The second concerned the Bills proposed by the Australian Labor Party and the Australian Greens to restrict 'foreign' political donations. The specific question was whether these proposed restrictions provided for exemptions to organisations registered under the *Australian Charities and Not-for-Profits Commission Act 2012* (Cth) (registered charities).

I have now examined the Commonwealth Electoral Amendment (Donation Reform and Transparency) Bill 2016 (proposed by ALP Senator Farrell) and the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2016 (proposed by Greens Senator Rhiannon). The provisions in both Bills seeking to restrict gifts of foreign property are highly similar so I will comment on both of them simultaneously.

The key provisions are proposed sections 306AC and 306AD of the *Commonwealth Electoral Act 1918* (Cth). Proposed section 306AC deals with the receipt of gifts of foreign property and makes such receipt unlawful if the gift is received by a registered political party, a State branch of such a party, a candidate and a member of a group. While registered charities are not specifically exempted from this provision, they are not covered by it. On the other hand, they will be covered by proposed section 306AD which makes unlawful the incurring of political expenditure enabled by a gift of foreign property that was made with the main purpose of enabling the recipient to incur such expenditure.

I hope these comments are helpful to the Committee's inquiry.

Yours sincerely,

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