

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**ADDITIONAL BUDGET ESTIMATES 2011-2012**

**Finance and Deregulation Portfolio**

**Department/Agency:** Australian Electoral Commission

**Outcome/Program:** 1/1.2

**Topic:** Reporting Obligations – comparisons with Annual Returns lodged with other jurisdictions

**Senator:** Faulkner

**Question reference number:** F73

**Type of question:** Hansard F&PA Committee, pages 91 and 92, 14 February 2012

**Date set by the committee for the return of answer:** Friday, 30 March 2012

**Number of pages:** 2

**Question:**

Various questions were asked about the contents of the Annual Return lodged by the Liberal Party of Australia – ACT Division under the ACT *Electoral Act 1992* for the 2010-11 financial year when compared with the Annual Return lodged by the Liberal Party of Australia – ACT Division under the *Commonwealth Electoral Act 1918* for the 2010-11 financial year. Particular amounts referred to from the Annual Return lodged under the ACT *Electoral Act 1992* included Stratsec Pty Ltd - \$108,900; Advise Consulting - \$60,000; Skilled Group - \$67,650.72; Psarn International - \$31,459.92. The real reason for my question is that you might have a look at that and, in the processes that the AEC undertakes, whether it does any comparative work between the jurisdictions.

**Answer:**

This question has highlighted one of the difficulties with the lack of harmonisation of laws in Australia that apply to the disclosure of amounts by registered political parties. This lack of harmonisation was set out in Part 1 of the *Electoral Reform Green Paper – Donations, Funding and Expenditure* issued by the Government in December 2008.

It is noted that the total amount of receipts disclosed on both returns is the same - \$585,836. To this extent, there is some degree of comparison that is able to be made between the two Annual Returns.

There are two key factors which would account for the apparent difference between the Annual Return lodged under the ACT *Electoral Act 1992* and the Annual Return lodged under the *Commonwealth Electoral Act 1918* in relation to the disclosure of individual donors and service providers. These two factors result in there being little if any utility in undertaking comparisons between Annual Returns that are lodged in different jurisdictions.

The first factor is the different disclosure thresholds. In the ACT jurisdiction it was \$1,000. In the Commonwealth jurisdiction it was \$11,500.

The second key factor relates to the inclusion of amounts that are under the threshold amount. In the ACT jurisdiction (as shown by the contents of the forms) amounts under the threshold must still be included in the total amount that is reported in the Annual Return. Further in the ACT jurisdiction, amounts under the threshold must be combined and included in the list of donors and service providers.

This is in marked contrast to the requirements of sections 314AB and 314AC of the *Commonwealth Electoral Act 1918* where amounts under the threshold are not required to be included. In particular, subsection 314AC(2) of the *Commonwealth Electoral Act 1918* provides that in calculating the sum to be reported for disclosing the details of donors and service providers, “an amount of \$10,000 [as indexed which was increased to \$11,500 for the 2010-11 financial year] or less need not be counted”. Accordingly, unless the individual amount of a donation or services provided on a single day were above the \$11,500 disclosure threshold for the 2010-11 financial year, it would not require to be separately identified in the Annual Return lodged in the Commonwealth jurisdiction. This is despite the fact that in a financial year the total amount of such donations and services may be more than the \$11,500 threshold.

The effect of the above two factors is that, with the exception of the total amounts disclosed in each Annual Return, it is not possible to draw any direct comparison between the financial disclosures that are required in the ACT jurisdiction with that required in the Commonwealth jurisdiction.

Similar issues arise with the returns that are lodged in other jurisdictions in Australia.