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**THE HOUSE OF ASSEMBLY GOVERNMENT ADMINISTRATION COMMITTEE B
MET IN COMMITTEE ROOM 1, PARLIAMENT HOUSE, HOBART, ON MONDAY,
12 AUGUST 2024.**

INQUIRY INTO THE ELECTORAL DISCLOSURE AND FUNDING AMENDMENT BILL 2024 (No. 9)

The committee met at 12.30 p.m.

Ms JOHNSTON - Welcome to today's hearing. Thank you very much for making the time. We have our Chair online, Rebecca White, but I will be chairing the meeting this afternoon to make a bit easier to facilitate. We also have online Mrs Rebekah Pentland and Mr Simon Wood.

We have Mr Vica Bayley and Mr Simon Behrakis with us here as well today. If you can state your name and your position, please, for the committee.

Ms JULIA HICKEY, ACTING CEO, AND **Ms SARAH FROST**, DIRECTOR OF OPERATIONS, INTEGRITY COMMISSION, WERE CALLED, MADE THE DECLARATION AND WERE EXAMINED.

Ms JOHNSTON - Thank you very much. If you would like to make a brief statement before we begin?

Ms HICKEY - Yes. Thank you, Chair. Anything that we say today should be considered in the context of our previous submissions, which I will recap and summarise shortly. For context, since 29 April this year, Sarah and I have been joint acting CEOs with the CEO statutory function sitting with Sarah, and administrative and management functions sitting with me.

Our brief written submission was made on behalf of our board. As we have submitted previously, political donations can give rise to conflicts of interest which, if not properly disclosed and managed, can diminish public confidence in government. As we noted in our brief submission, we have not had the opportunity to research the following aspects of the draft bill and, hence, are not able to comment on them.

We note that other submitters have commented on these provisions. They are: the restriction of donations to natural persons, a general cap on political donations of \$3000, candidates' expenditure limits and penalties for misleading advertising during election campaigns.

We have previously made the following related submissions in 2018 via the Department of Justice to the review of the *Electoral Act 2004* and in 2021 to the *Electoral Act* review. Those submissions form the basis of our current submission in relation to this bill.

In 2018, we submitted that state-based political donation disclosure rules should be introduced in Tasmania and that Tasmania, in particular the House of Assembly, had the least regulated election funding and disclosure laws in Australia. We submitted that state-based disclosure rules should:

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- require reporting of all donations and in-kind contributions of over \$1000 in value;
- apply at both state- and local-government level;
- allow for electronic reporting, for example via an electronic disclosure system;
- place disclosure obligations on the recipient of the donation and the donor, with the principle obligation being on the recipient;
- extend to third-party participants in the electoral process;
- require ongoing reporting that is not just during election periods;
- ensure that donations made in the last seven business days before polling are able to be made known to the voting public prior to the election;
- and ensure that data available to the public is sufficient and adequately searchable.

We further submitted that the electoral oversight body should be adequately empowered and resourced to ensure compliance with these laws. In 2021, we noted that some of our 2018 recommendations were reflected in the draft bills, representing the opportunity for a vast improvement to the system. We also noted the lack of clarity about how the Tasmanian Electoral Commission would be resourced.

We included a research paper that concluded that the TEC, as then resourced, could not investigate or enforce compliance with the 'corrupt practices' provisions in the act.

The research paper covered other issues such as the concept of indirect electoral bribery, but did not canvas matters such as donation reporting thresholds.

We've previously advocated for and support aspects of the bill that require reporting of all donations and in-kind contributions of over \$1000 in value rather than \$5000. We believe that the time frames in the bill for disclosing political donations would enhance transparency and accountability. We reiterate our view that all disclosure time frames should be consistent. This would be simpler and would likely result in greater compliance as there would be less scope for confusion.

Finally, we note, again, our limited capacity to undertake detailed research into some of the proposals in this bill. We are able to take questions on notice if the committee wishes. If that is the case, we will need to consult further with our board as required.

Ms JOHNSTON - Thank you very much. Ms Frost, do you want to add anything to that?

Ms FROST - No, I didn't have anything to add.

Ms JOHNSTON - I open for questions then. Who would like to lead us with a question?

Mr BAYLEY - Sure, thank you. Thanks very much for the submission and the work over the years. I'm interested in the disclosure threshold of \$1000. You've been really consistent on that since the first submission. I note somewhere along the line you've made the observation that there's no sort of policy justification for \$5000. Can you just talk us through your justification for \$1000 in terms of transparency and effect in the disclosure context?

Ms HICKEY - I'm not sure that there's much in addition to say to what we previously said. Lowering the threshold is consistent with an increase to the accountability and transparency of the regime. We've held that view consistently. It is consistent with a number of other previous submitters on previous matters. I'm not sure that there's much else we'd have to say, in terms of the policy rationale, that hasn't already been said, I guess, in our previous submissions.

Ms FROST - I understand it's a similar threshold in most other Australian jurisdictions at the moment. That's all I'd add to what Julia said.

Mr BAYLEY - The effect of it being \$5000 instead of \$1000 is - do you see greater risk of misuse or is it purely a transparency issue in terms of what the electors can see and therefore sort of understand? Or is there anything else that sits in behind that from your perspective?

Ms HICKEY - I think we'd probably have to take that as a question on notice and consult with our board. I don't think we've previously considered the risk of - I think our perspective is predominantly about transparency. So, we could consider that question further if you wish.

Mr BAYLEY - Well, look you could take it away and if there are any reflections on talking about it more broadly that would be great.

Ms JOHNSTON - Is there anyone online who would like to jump in at this stage? No, I can't see anyone waving furiously. I might ask a question then in regards to prohibitive political donations. I'm asking for you to clarify the position of the Integrity Commission on who should be prohibited from making political donations and I note that the bill restricts it to natural persons only. Could you just elaborate on your submission in that regards, please?

Ms HICKEY - That's one of the aspects that we haven't had the opportunity to undertake research on. So the restriction of donations to natural persons in clause 6, is that?

Ms JOHNSTON - That's right. I noted that in a previous admission - I think it was the one in 2018, I'm just checking - you talked about the rationale for prohibiting certain political donors and noted New South Wales provisions for tobacco, liquor and gambling industries. Is there anything you want to add to that? Or the concept of prohibiting companies, non-natural persons?

Ms HICKEY - I'm not sure that there is much more that we can say on that.

Ms FROST - No, I think back in 2018 it wasn't clear why some types of donors who were prohibited in other jurisdictions were going to be prohibited and other types weren't. The natural persons - prohibiting people anyone other than a natural person from making donations is quite a different thing and we would need to do some additional research into that.

Ms JOHNSTON - Just to be clear the earlier submission from 2018 - I think it was - where, you pointed out that there were some that weren't excluded from making donations and others. It was more of an issue about the clarity of those entities, rather than an objection to prohibition in general?

Ms FROST - Yes, that is correct. It wasn't clear why some had been prohibited or why some were in the bill and others were not.

Ms JOHNSTON - Thank you. Any further questions, online? Ms White?

Ms WHITE - About the frequency of donations being disclosed, in a couple of your submissions I read you have proposed real-time disclosure, but you reference Queensland, which has a seven-day reporting period, particularly in election campaigns, and mentioned it would need appropriate resourcing of the Electoral Commission to properly comply.

I am keen to understand, from the Integrity Commission's perspective, what you would regard to be appropriate in the Tasmanian context for how regularly donations should be disclosed within an election period and outside an election period, please.

Ms FROST - I believe we said they should be fairly much real-time disclosures at all times. We do not see why there should be a difference whether it is in election period or not. If the system is set up to function in an election period like that, why can't it function outside of the election period? It would just make everything simpler and more straightforward.

Ms WHITE - By real-time, can you explain for the committee how frequently you mean by that? Do you mean immediately, every 24 hours, every seven days?

Ms FROST - I believe it operates differently in different jurisdictions. It can be a bit hard to facilitate things becoming public immediately. There would be some checks that would have to be done, but I think the point is that people should not be going to an election without knowing who has made disclosures. As long as they are disclosed in time for that, then it should meet what we are saying.

Ms JOHNSTON - Anything further there? Questions, Ms White?

Ms WHITE - No thanks.

Ms JOHNSTON - Mr Bayley?

Mr BAYLEY - Yes, I have got one more just for the benefit of the record. Your 2018 submission made a very clear statement around - I will read it out -

Political donations can give rise to conflicts of interest, which, if not properly disclosed and managed, can diminish public confidence in government.

As the Integrity Commission, obviously experts in integrity and governance and so forth, can you unpack for the committee your view of what those conflicts of interest could be or what they extend to?

Ms HICKEY - I think, as has been submitted regularly by a number of submitters, the notion of a donation does imply that there is something expected in return. From a public policy perspective, the transparency of donations is the most important aspect and, for the public to have confidence in the integrity of the electoral process, the visibility over those donations is paramount.

We are all about accountability and transparency in everything we do - transparency in particular. We are currently undertaking a series of reforms to the lobbying oversight system.

Again, that is about significantly enhancing the transparency. That is a kind of an underlying principle in everything that we do.

Mr BAYLEY - Is it fair to say that, in terms of those conflicts of interest, the bill - apart from the bit that you can't talk to - which is about who's going to be banned; corporations, whether it be gambling or tobacco or whatever, that would be trying to prevent a conflict of interest from a policy perspective? Otherwise, basically, in terms of the legislation and disclosure thresholds, it is all about revealing the potential for it, just so that people are informed. There is transparency about the potential for a conflict of interest or the indeed conflict of interest?

Ms HICKEY - Absolutely. Our position is always that conflicts of interest are not bad in and of themselves, but they must be disclosed and properly managed. That applies across the board; it's an underlying principle with everything we do. Every training session we run centres on questions of conflicts of interest. They are unavoidable to some extent but they must be disclosed and properly managed and transparency assists in that.

Mr BAYLEY - And the threshold - currently \$5000, hopefully one day being \$1000 - just increases the visibility and the spectrum of those potential conflicts of interest.

Ms HICKEY - Yes, precisely.

Mr BEHRAKIS - Just following on from Bec's question on the disclosure time frames, we did hear from previous witnesses that during a campaign and outside of campaigns, there is the administrative side of things. I think even the two larger parties - maybe it was Ms Haddad who mentioned the Labor Party had one admin person and if they were sick there would have been however many days they were off for - and some of that wouldn't have happened. That happened in my party during the election as well. Is there a risk in having a time frame that's too short that puts an administrative burden on parties, but also smaller parties and candidates that have less support, where they're more stressed out about getting more focus on just meeting these compliance deadlines when they're acting in good faith, rather than actually being out campaigning? Is there a reasonable balance there, if that makes sense?

Ms HICKEY - I don't think that's a question we can answer. There's always a quid pro quo with administrative burden and transparency. We can't really speak to the impact on candidates or parties in meeting the administrative burden, but there is always a balancing act.

Mr BEHRAKIS - If you've got 24 hours as the time frame and someone's off sick, or we've just had whatever have you and people aren't able to make that 24 hours, are they then at risk of getting in legal strife through no real fault just because they weren't able to meet those deadlines?

Ms HICKEY - I don't think we can answer that. The enforcement would not be sitting with us. I don't think there's much more we can say on that.

Ms JOHNSTON - I might ask a question in relation to third-party disclosure. I'm not sure if you've managed to hear some of the evidence we've heard in previous hearings, but there's been quite a lot of discussion and submissions regarding the difficulty with charities in disclosing donations. The situation might be with - and we've used this example a number of times now - the Cancer Council, for instance. They often receive lots of donations right

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throughout the year for a whole variety of works - cancer prevention, awareness, education, all those kinds of things. They might choose to conduct a small political campaign in an election period and the difficulty for them is in identifying who is the donor who has donated to that particular campaign, where perhaps they've paid for that political campaign or electoral campaign out of consolidated funds, if you like.

Do you have a view on how any sort of disclosure regime might be able to accommodate that difficulty and how they should be dealing with that, if we take the principles we're concerned about who is influencing political campaigns, who's donating to them and who's spending on campaigns? Does the commission have a view on how we would do that?

Ms HICKEY - I don't think we do on the face of it. I think that's something we'd need to undertake some further research on. I don't think we've considered that in our previous submissions. It's certainly a valid point and I've seen that in the submissions through a quick scan, but we'd have to undertake some proper research on that. It is a valid point.

Ms JOHNSTON - Thank you.

Mr BAYLEY - In terms of questions like that and being able to do a deep dive into this kind of reform, do you have the capacity, as structured at the moment and funded and staffed, to do that in an ad hoc kind of way when parliament asks, or a committee like this asks, and so forth, or does that severely test resources and existing programs in the Integrity Commission?

Ms HICKEY - The reality is we don't have a substantive CEO. Sarah and I have been sharing CEO duties for three, perhaps four months now, and we're doing our day jobs as well, as it were, so that does put pressure on our resources and we're always making decisions about what we're able to undertake, so yes, we are somewhat limited at the moment.

Mr BAYLEY - Under normal circumstances, though, with the CEO and the chair and so forth, would you still have capacity to do these kinds of relatively unannounced and urgent investigations and advice-giving to committees such as this one?

Ms HICKEY - Yes. Undertaking research and policy analysis is very important for us. We also are accountable to a board and accountable for the allocation of our resources to our board and the kinds of matters that we research to the board as well, so that's a caveat, I guess.

Mrs PENTLAND - Regarding that research and policy analysis, are there any policies of late that have popped up that have come to the House of Assembly where it has been questioned as to why that might be happening, or perhaps there are political donations that may have taken place to help the government at the moment make those decisions in a policy being put forward, or a change in policy being put forward?

Ms HICKEY - Do you mean broadly have we been asked to have input? Sorry, if you could just expand a little bit.

Mrs PENTLAND - Yes, sure. A change to the State Coastal Policy has been presented to the House now. Has that been researched at all as to what -

Ms HICKEY - No. We tend to focus on -

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Mrs PENTLAND - Has there been any other research?

Ms HICKEY - Sorry to interrupt you. I understood the question a bit more the second time around. We tend to focus on areas of misconduct risk across the public sector, so something like the coastal policy, from my very basic understanding of it, would not fall within that broad aegis.

Ms JOHNSTON - We might refer back to the terms of reference for the committee, perhaps in terms of the actual bill itself, if we could.

Ms HICKEY - Yes, sure.

Mr BAYLEY - We've heard in evidence in this committee at our first sitting of a couple of donations in mid-2022. Let me just step it out for you. On 11 July 2022, Responsible Wagering Australia Ltd donated \$11,600 to the Liberal Party of Tasmania and then another \$10,000 on 31 August, six weeks later. Then 18 days later, Macquarie Point was confirmed as the preferred site for a stadium here in Hobart. Responsible Wagering is the lobby group for online gaming agencies, Sportsbet being the preferred partner of the AFL. Is this the sort of thing you would be worried about and that you think increased transparency would minimise conflicts of interest or at least expose the conflicts of interest? Does this alarm you?

Ms HICKEY - It's very difficult for us to answer in a speculative way about whether something would be of concern to us. If it's in accordance with the legislation of the day, on the face of it we can't really comment on whether something might be of concern or not unless we were to undertake some sort of analysis or investigation.

Mr BAYLEY - Would you agree there's a conflict of interest or at least a perception of a conflict of interest?

Ms HICKEY - We can't comment on that.

Mr BAYLEY - Thank you.

Mrs PENTLAND - There was a motion that was supported by Liberal and Labor, which was that they unequivocally support some industries. You know, unequivocally means without doubt, which means without question. To me, that was quite alarming at the time when that happened because as a politician, it's your job to question and it's your job to always have doubt and look for best practice on how to do things.

When that happens in that House, are there any question raised? When we're looking at an industry as a whole and just saying, 'Yes, we unequivocally support that industry no matter what', and you can see that both Liberal and Labor are fronting up for that motion and no-one else in the House is, is that something that you might research and look at and think, 'Oh, that's a bit strange', or does that not sit on your radar there either?

Ms HICKEY - I'm really not sure how to answer that apart from, again, theoretical matters we can't really comment on.

Ms FROST - I would say we do not have jurisdiction over proceedings in parliament. So that's one thing. We do have a process whereby we look at potential misconduct risks

internally, things that might have been reported in the media or have that have come to us another way and assess whether it's worthwhile us pursuing further. But then we have the resources issue that we've already discussed, so -

Ms JOHNSTON - Just to go back to the, I think, line of question, if I may, from Mr Bayley and Mrs Pentland was around the provisions of the bill which deals with the principle of transparency and disclosure. Is it the commission's view that obviously lowering the threshold would mean that there'd be further disclosures and more detailed disclosures, but also the importance of real time disclosure is relevant to decisions that government might make at the time, so we know at the time when decisions are made by government who are the likely donors beforehand or the actual donors beforehand? Is that something that the commission's view is important in terms of enhancing transparency, that timeliness around disclosure before decisions are made?

Ms HICKEY - Sorry, do you mean can we comment on the likelihood of a decision being made on the basis of -

Ms JOHNSTON - Just the principle around. So, that the bill obviously has provisions relating to the timeliness of disclosures and the threshold disclosures and the commission's view around the importance of those being as soon as possible or close to the time of decision making and to also know who is to influence that decision making. That's the Commission's view?

Ms HICKEY - Yes, that would increase the transparency of the system.

Ms JOHNSTON - So that when major decisions are made by government, it's important that the community are aware of who has donated that might to issues that might influence that decision of government and the timeliness and the amount of that. Is that correct? That's the commission's view?

Ms HICKEY - When you say decisions being made by government, I mean this would apply to all parties.

Ms JOHNSTON - Sorry, all parties or any political statement made of political party, a policy platform, it is the commission's view that at the time that those statements are made public that the public is at least able to understand who might have influenced that decision and by how much?

Ms HICKEY - I don't think we can comment on by how much, but certainly any influences, and this is part of our lobbying oversight as well, lobbying reforms as well, anything that increases the transparency of government and also non-government members' decision-making, we would support.

Ms JOHNSTON - Any further questions online? No. Well, thank you very much for appearing. Just to be very clear for the broadcast today, I'm facilitating the hearing today because our Chair is still with us, but she is online and that just makes it a little bit difficult to facilitate from online. Thank you very much, Ms Hickey and Ms Frost, for coming in today. I appreciate you attending the hearing.

The witnesses withdrew.

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The Committee suspended at 1.05 p.m.

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The Committee resumed at 1.18 p.m.

Ms JOHNSTON - Thank you very much for coming along today, Mr Coulson. I am Kristie Johnston, I will be facilitating the hearing today as our Chair is online, Ms Rebecca White, to make it a little bit easier for today's hearing. I will be coordinating that. We have with us today Mr Vica Bayley. Also online, in addition to Ms Rebecca White, we have Mrs Rebekah Pentland and Mr Simon Wood here.

If you can state your name and position just for the record, please.

Mr COULSON - Good afternoon. Peter Coulson. I am the State Director of the Tasmanian Liberals.

Ms JOHNSTON - Thank you very much. Can I get you to confirm that you have received and read the guide sent to you by the Committee Secretary, please?

Mr COULSON - I have, yes. Thank you very much.

Ms JOHNSTON - No questions regarding that?

Mr COULSON - No, thank you.

Mr PETER COULSON, STATE DIRECTOR, TASMANIAN LIBERALS WAS CALLED, MADE THE STATUTORY DECLARATION, AND WAS EXAMINED.

Ms JOHNSTON - Thank you very much, Mr Coulson. Would you like to make a short opening statement?

Mr COULSON - Thank you, Ms Johnston. Yes, I would. Can I say, first of all, thank you to the Committee for giving me the opportunity to come and work with you through this bill and the Greens political party's latest contribution to our democracy.

Can I acknowledge upfront that my submission was probably more blunt than some people may have expected? My wife said it came across as a bit of an angry rant. That may well be the case, because I feel very passionately about this. For background, we came to Tasmania, we made the decision to move down about five years ago; moved down about three years ago. It's a wonderful place, full of very warm people. We have unrivalled natural beauty here and so much potential.

When I think about Tasmania's robust democratic system that probably wouldn't work in any of the other states, certainly not in the major states, it works so well here because it reflects the smaller and closer community of Tasmania. I think this is a very important issue that I need to speak to you about, because, frankly speaking, this is a pretty blatant attempt to rig the system by the Greens political party. There is really no reason to disproportionately single out one set of people within our system, yet that's precisely what this bill seeks to do.

Generally speaking, as a principle, we should not be trying to deny or block any Australian from taking part in democracy. That's a terrible precedent to set and it's one of the many reasons why this bill needs to be called out for what it is.

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Generally speaking, the Greens are, to use their own words, horribly conflicted when it comes to donations. This really isn't about transparency. In preparing for today, I went back through submissions on this process over the last couple of years. Previously, the Greens used to talk about free and fair democracy, free and fair elections. Those words do not appear in the submission in support of the bill from the mover. What we see now is a set of terminology that talks about levelling the playing field. The Greens openly say that this bill is about nobbling their opponents and trying to create a level playing field, and I don't think that that's fair. It really bells the cat for the Committee, and I'd very much like to talk to you more about that.

Ms JOHNSTON - Thank you, Mr Coulson. I might go to our Chair, Ms White, to see if she has any questions to lead with.

Ms WHITE - Yes, thank you, I have lots. Obviously, the bill is dealing with a number of matters, which are the terms of reference for this committee. I will start with the first, which is the lowering of the donation threshold from \$5000 to \$1000. I note in your submission that you don't support that and I am hoping, for the Committee's purpose, you can elaborate on that, particularly given that every other state now across the country is moving to \$1000 as the threshold for donations, if they're not there already.

Mr COULSON - Thanks, Ms White. I appreciate the question and think it is a good place to start. I did watch the representatives of the Integrity Commission just before, who were asked a similar question - what's the policy reason behind going to \$1000? I wasn't able to discern any other argument from the submissions as to why it should be at \$1000, except for a very lazy argument, that is, other states have done it so we need to as well.

Mr BAYLEY - Transparency.

Mr COULSON - I would put to you, Mr Bayley, that there are three factors you need to weigh up when you are determining the threshold:

- (1) The public interest in transparency, and yes, I acknowledge that that's an important part of this.
- (2) The right of privacy of supporters of political parties.
- (3) The practicality of political parties in actually being able to meet this regime and do so in a way that doesn't harm democracy.

Let me talk through those three in turn, Ms White. The first is the public interest in transparency, and I certainly understand that it is one of the tools that we have in trying to prevent anything improper going on in our political process or in our government, and it's an important part, but it's not the only tool. There are a range of other checks and balances. You heard from the two acting CEOs of the Integrity Commission, which is another lever that we have, and there are a range of other measures, including our criminal laws, which outlaw any improper behaviour through a range of different steps.

The second issue, when you're balancing this up, is the right to privacy from donors. Now, this is not an unusual argument when you consider that it is actually at the core of our electoral system. I put to you that there is a very sound reason as to why we have a secret ballot, and that recognises that people should have the right to make the decision about who they support and who they give their vote to free of improper influence or incidents of reprisal for making a particular choice.

You don't need a former Queenslander to tell you that Tasmania is a small place where pretty much everyone knows what everyone else gets up to. It certainly feels like that sometimes. In a small state like this, that is a particularly important matter that does need to be considered. As the former premier said when he outlined the reason why that policy decision had been taken, he talked about the fact that we are a small state, and that's what that's all about. It is about recognising that there are ramifications, certainly by some improper activists and actors within our society, who would seek to single out people for decisions that they have taken and parties that they may have supported.

I would put to you also the \$5000 limit is consistent with the other small states. It is consistent with South Australia and it is consistent with WA, with smaller populations. The reason why New South Wales, Victoria and Queensland have lower limits is because they have much larger populations, where you're less likely to have particular communities and knowing exactly who is donating to or supporting a particular political party, and so therefore the risk of reprisal and harm within a particular community is reduced.

And thirdly is the practicality. Ms White, as you asked the question, I thought that your acting state secretary provided some useful evidence to the Committee about what it actually takes for a political party to comply with a threshold limit being reduced, and he certainly provided some interesting evidence about expenditure caps and those sort of things, and what should or shouldn't be included.

Look, the issue of practicality is a real one. It's a serious one. And I think the first point that I'd make under this is, let's remember that what we're dealing with here are organisations of volunteers. They may have a couple of staff that they employ - they certainly do in my case in the Liberal Party, and I know that they do in the Labor Party, and I presume they do in the Greens as well - but if you're going to give volunteers strict regulation that if they don't meet could have fines or, dare I say it, any other stronger outcome, then I don't think that's particularly fair, and I think you might be setting people up to fail.

What I'd like to do is just talk you through what's actually involved in meeting a lower threshold, just so that perhaps the committee can understand. Currently, we comply with the federal disclosure threshold, which changes every year, but it's on a per-transaction basis. It's actually quite simple to comply with. You get your bank accounts, you produce your bank statements, you dump them out into a CSV file, and you sort them by size. And then anything over a particular size, you outline where the money was from, where it was going to, you put it on your Australian Electoral Commission (AEC) disclosure, and off you go.

That becomes infinitely more difficult to track under a model that's been proposed by this bill, because this is a cumulative model. Therefore, I can't just look every day at my statements. What I've got to be doing is tracking what's happened previously, and calculating whether or not any new transactions that might have occurred in the last 24 hours should or shouldn't be added to the cumulative list. And that's where it becomes a little bit more difficult, right? Are we including tickets to events? Are we including memberships to the party, are we including raffle tickets? All those things that may or may not be included create more grey, more uncertainty and more difficulty in being able to comply with that requirement.

And I'd put to you that the biggest problem with going from \$5000 to \$1000 from the perspective of someone who has to meet it, is that that's not really affecting your big donors.

It mostly affects your mums and dads. Mums and dads who are involved in political parties, have been for a long time. They go to functions, they buy tickets to various events, they donate maybe a couple of times during a year, they get involved, stand on polling booths, et cetera, and so on and so forth, because it's their constant ongoing transactions that are going to be more likely to be picked up by this cumulative model. And so, you're not really picking up a lot of the higher-end corporates by going from five to one. You're really picking up more of your people who are engaged on a party basis. And look, I would say that as a result of that, there's not a great deal of additional transparency that's going to be gained in that for that reason.

So, there you are. The only other point that I wanted to make in relation to practicality, Ms White, is that if you do put additional obligations on party members and volunteers, and you know what it's like in Hare-Clark, you've got 35 candidates out there with 35 different little campaigns, all potentially receiving 35 sets of cheques or 35 sets of transfers into their own bank accounts. The practicality of accounting for all of those is quite difficult, and in order to do so, you do have to have a centrally funded resource.

Like the Labor Party, as the evidence you had previously, we have one person who does bookkeeping and finance and all these sort of matters, and during the campaign, that chap got sick and he was out for a couple of days, and it did become incredibly problematic for us just to keep up with the business of usual of a campaign, even before you start talking about putting additional regulations on top of that. So, any additional obligations that go on top of the business of usual during a campaign ought to, in fairness, be offset by public funding to assist these volunteers to put on staff to meet those obligations. Because I don't think anyone would say - and I will finish, I know I've gone on for a bit.

The final point that I'd leave with you here: I don't think it is in our democracy's best interests, I don't think it's in our state's best interests for political parties to spend less resources on developing policy and more resources on regulation to meet compliance. I don't think that's in their long-term best interests.

Ms JOHNSTON - Thank you, Mr Coulson. I might ask if there's any further questions in relation to donation disclosure thresholds. Ms White, did you have any follow up questions or?

Ms WHITE - Only that regardless of what the amount is, those administrative practices for any party or independent need to be in place with a threshold of 5000, as will be the law soon. So, lowering it to 1000 isn't going to create any administrative burden bigger than what you need to have in place currently. And I find your arguments difficult to accept really, and I'm just wondering why you think it's going to be so much more difficult at \$1000 versus \$5000, because the back-end compliance regime is going to be the same, need to be the same regardless, and in the interest of transparency, would have thought that the acceptance of \$1000 would be very reasonable.

Mr COULSON - Well, perhaps I haven't explained myself as clearly as I probably should. So, thank you for giving me another chance to talk you through it. I think the main reason for why \$5000 is, I guess, less of an administrative burden than \$1000 is because you're going to be tracking less people who go over the \$1000 limit if you're at \$5000. If you're at \$1000, you've immediately got a certain number of people that you do need to be tracking.

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Also, I'd put to you that you know by and large the number of people who would donate over a \$5000 amount in a particular year would be less and so therefore I think there's just going to be less transactions that you're going to be assessing at that higher limit. That's going to mean that there's going to be less work involved in being able to be certain that you are complying with all of your obligations.

Look, it might be useful for me to talk about this in a particular example perhaps and look, this is something that I'm sure is very commonplace in the Labor Party, I suspect it's quite commonplace in the Greens, certainly is for us. And independents, I dare say, wouldn't be too far different. So, let's talk about the obligation of what happens when you receive a cheque, All right, just to be very specific. Now the question that I'd put to you is when does the obligation to disclose arise when a donation is made by cheque? Does it arise when the cheque is drawn? Does it arise when the cheque is mailed to the recipient? Does it arise when you receive the cheque? Does it arise when you bank the cheque or does it arise when the cheque clears and you have access to the funds? These are all potentially different and there could be a significant time gap between each of those actions.

Let's say for argument's sake it's when the cheque is received by the political party. So, let's say, for example, Mr Joe Bloggs wants to donate to his local candidate. He draws up and mails a cheque for \$1500, which is the maximum amount he's allowed to give under the tax office to get a tax deduction for that, to his local candidate. He does that on a Monday. Now, as we all know, in regional Tasmania, the mail seems to be going slower and slower. It appears that the campaign office on Friday.

The mail is opened by a volunteer on Friday afternoon, when the post office box is cleared, it's left on a desk for the treasurer to attend to the banking and finance requirements. Now no one's in on the weekend because on a campaign, as you all know, they're all out on the hustings, they're waving, they're wobble boarding, they're letterboxing, they're doing all sorts of things. They're not sitting in an office doing admin.

Treasurer was supposed to come in on Monday. He had a doctor's appointment, so he didn't show up. Gets in on Tuesday, realises there's a cheque there. Only then does he actually let head office know, 'Hey, we've got an obligation to disclose here'. Head office receive it on the Tuesday and on Wednesday finally filed the form with the Tasmanian Electoral Commission (TEC) to let them know that a donation has been received. Now, that's not an unreasonable out of the ordinary example for you to consider, but it just shows that even with the best of intentions, it can take quite a few days, in the example that I've just used five days between when a donation is received to when it can actually be disclosed.

The difficulty, and my point coming back to why that means more for the lower threshold limit, the difficulty for that is with so many different transactions coming through so many different points across an organisation, because of the nature of Hare-Clark, where we don't run one central unit as we do in single member electorates, every campaign is effectively a little offshoot that just means that there's so many different points along the way where donations can become, can be coming in and would trigger a requirement for disclosure and reporting. And so that's why it just becomes significantly and dare I say exponentially more difficult and expensive as the threshold goes from \$5000 down to \$1000.

Mr BAYLEY - Mr Coulson, thank you for your submission and input. As they say, attack is the best form of defence and I think your wife probably under-represented it as an

angry rant. I think this is quite an unhinged submission to this Committee for an issue that's been in the public discourse for a long time, for a range of submissions that in many ways go a long way towards supporting significant elements of the bill, and your submission is an angry Greens rant, at the very least. I think it mentions the Greens 47 times.

The Integrity Commission literally just told us that with the notion of donation, people have the expectation of something in return, so this is a really key issue and that's reflected in the number of submissions we've got and the clarity and thought that's been put into them. Do you accept that there is a notion of expectation in return for a political donation, and do you accept that there is an issue of perception in the community that donations and donation disclosure hasn't been done well in Tasmania, despite our Hare-Clark system and all the rest, and that more needs to be done?

Mr COULSON - Thank you, Mr Bayley. Despite all that, I appreciate that we're able to sit here and have a very reasonable discussion, because while we might be coming at this from wildly different perspectives, I think at the core of it we're both trying to achieve what we think is in the best interest of the state, so I welcome the conversation in those terms. I think this is a perfectly reasonable submission that addresses some of the reasons why the mover may be putting this bill up.

Let me come to your point first about whether or not a donor might expect something in return for a donation. Don't take my word for it, Mr Bayley, take Bob Brown's word for it. When Dr Brown was asked about Graeme Wood's \$1.6 million donation, he said there was no obligation to give him anything more than that. Dr Brown said that it was welcomed but he would get no special treatment whatsoever.

By the proposition you're putting to me it seems like you're at odds with Dr Brown, and dare I say this - and at the risk of erupting laughter upstairs on this point - I agree with Dr Brown in that donors should not and do not have a right to expect something - a quid pro quo - for a donation. I think first and foremost, donors do so to support policies. I think that political parties should go out and work with constituents to identify the policies they want to see introduced in government. I think that is a normal, natural and healthy part of our democracy. If you have a situation where you go off on tangents and you're not giving the people what they want, you should rightfully not receive their support at the ballot box. As part of that, if you've got policies that people support, it is a natural extension that people will support it financially as well because they will want to see those policies implemented into law.

Mr BAYLEY - Two hearings ago we heard from Roland Browne, a transparency expert. You probably heard the conversation with the Integrity Commission. He reported his investigations about Liberal Party donations of \$11,600 being given on 11 July 2020 and \$10,000 on 31 August 2022 by Responsible Wagering Ltd, the peak body for gambling entities, and indeed Sportsbet, which is the AFL's preferred wagering partner, and literally less than three weeks later Macquarie Point was announced as the preferred location for the stadium.

I'm sure when Dr Brown made his comment about Graeme Wood it was absolutely true that there was no expectation of Graeme Wood, apart from policy outcomes and supporting the policy positions of the Greens party at that time, that he was getting anything special. Do you not accept that there is a significant stench of something untoward when the donation profiles come in the order of policy decisions being made by government or by the receiver of those

donations? Do you not accept that there is a conflict of interest, or at the very least, a perceived conflict of interest out there in the public?

Mr COULSON - No. Let me unpack some of the various points of that; there was quite a bit for me to get through. First of all, did Mr Browne refer to himself as an expert in transparency, or is that -

Mr BAYLEY - I don't know, you're telling the story.

Mr COULSON - You just referred to him in your preamble. I just want to know, is that your finding, is that the committee's finding, or is that Mr Browne's evidence?

Mr BAYLEY - You brought it up. I am not sure whether it is relevant in the context of this conversation. He was seemingly the spokesperson for the party on the receipt of that donation and he made a statement in relation to it.

Mr COULSON - Sorry, he was the spokesperson on behalf of my party in relation to the donation? I am sorry, Mr Bayley, I am having trouble following the point you are making. The point I'm making is that I don't believe Mr Browne is an expert in anything. I certainly don't think he is an expert in transparency. If I have a look at the evidence he provided to you, as some of it was publicly reported, I think the kindest way I can put it is that it would be a logical failure along the lines of post hoc ergo propter hoc, in that just because things happen to coincide in time therefore they cause each other. It is a logical fallacy. There is no basis to it.

Could I put it to you like this? The former premier's support for that policy proposal and the number of Tasmanians who have been in favour of that for a very long time is on the record. It has been on the record for a very long time that it has been the dream of Tasmanians to have their own team for decades -

Mr BAYLEY - We're talking about the stadium, though.

Mr COULSON - And the stadium is a necessary condition in order to get that team. To suggest that it was done for a sum of money donated at around the time I think really bears not even a passing grasp on reality and is really something that is beneath this discussion, because there is nothing in it.

Mr BAYLEY - The question was, though, do you accept that there is a perception of something untoward if that is the case? Is there a perception that needs to be addressed when, these are the numbers that come out when disclosure ultimately does happen? These are the numbers that come out and the timing comes out when disclosure occurs. Is there a perception of something untoward or is there a perception, as the Integrity Commission said, that when you make a donation you get something in return?

Mr COULSON - I don't agree with that evidence and I think it's a bit reckless for that body to have given that evidence to you because I don't think there's any evidence that supports that conclusion. You've just said as well that there was no return when Dr Brown and the Greens political party received the biggest corporate donation in Australia's history, at that point, of \$1.6 million.

Mr BAYLEY - Are you saying there was?

Mr COULSON - What I'm saying to you is no, I think on that one rare instance I actually agree with Dr Brown. There is no perception that there is a quid pro quo. In the Liberal Party, we have very strict protections. We have a code of conduct that sets out how fundraising is to occur. The tenets within it are very simple and that is that donors have the right to put their position to us and they have nothing further. They can expect nothing in response for a donation.

Ms JOHNSTON - If I may ask a question, Mr Coulson, does the Liberal Party support the principle of donation disclosure?

Mr COULSON - Generally speaking, yes, and I outlined the three factors I would put to you should be considered. Transparency and the public interest is most certainly one of them but it does need to be balanced against other factors.

Ms JOHNSTON - So, the party supports a disclosure at \$5000 in principle because it is important for - if I put it generally - the community to understand who is donating and how much to a political party or political candidate?

Mr COULSON - The Liberal government's position on this is very clear and we support the government.

Ms JOHNSTON - If I understand you correctly, the position is that it is only supported as long as it is not an administrative burden. You would put the administrative burden higher in terms of priority than the interest in disclosing and transparency?

Mr COULSON - Thank you for giving me the chance to talk about that. As I said, there does need to be recognition given to, first of all, the impact on donors, but also on the parties and media. I think that is reflected in the substantive bill with the administrative funding that is available to parties, it is on a tiered basis for parties with more than six seats, parties with less with five or less, and then for Independent members. I think that provides some reasonable compromise towards offsetting the additional costs at the \$5000 level.

Ms JOHNSTON - Would you accept that \$1000 is a lot of money to many Tasmanians given our cost-of-living pressures and our low wages compared to other states?

Mr COULSON - Well, I certainly accept that this isn't going to do anything to help the situation. Giving taxpayers' money to political parties is not a way to reduce cost-of-living pressures across our state, and I would much prefer perhaps if that money were to go to other measures to assist people. Frankly speaking, there's a couple of propositions from supporters, from submitters that we should have fully taxpayer-funded elections. I think that's ludicrous.

And may I just say, finally, on this point, Ms Johnston, and again, thank you for letting me make my final point - and this goes back to Mr Bayley's question that I wasn't able to answer - I think there is an incredible conflict of interest in parliamentarians making laws with respect to electoral donations. I think that it has to be tread very carefully when you start regulating - especially when you bring in such a one-sided piece of legislation such as this, which is clearly decided even in the submitter of the mover about levelling the playing field, and not about free and fair elections anymore.

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Ms JOHNSTON - Thank you Mr Coulson. I'm not sure who else would make laws other than a parliament, but that's a question for another day. Ms White, I think you indicated you have further questions, so I might go back to you.

Ms WHITE - Thank you. I'm fearful of asking this because I feel it could lead to another five-minute contribution from you, Mr Coulson. Maybe if you could try to keep it brief for the Committee, but this is about the clause and the bill in relation to non-natural persons being prohibited from making donations. I suspect this is something that you have concerns about. I'd be interested to hear the perspective of the Liberal Party about it, please.

Mr COULSON - Thank you, Ms White. I'm endeavouring to provide fulsome evidence to the Committee. Please understand that I'm not trying to leave anything out, as I have sworn to give you the full and complete truth here.

Look, can I say in a series of short words, banning corporate donations is anti-democratic, and it's likely unconstitutional. It's been considered by the High Court previously. I'm not an expert, so I'm not going to give you evidence about whether the High Court would likely accept this, but my suspicion would be there is not a clear enough nexus put forward by the mover to support why the freedom of political communication should be - or the right to, I should say - why that right should be burdened in this regard. It's just not made clear. Where is the connection between corporations and donations?

If I can take the Committee's attention back to the AEC Transparency Register for the last election - the 2021-22 year, the Greens political party disclosed two donations of \$70, 000 from two companies: one being Keep Them Honest Pty Ltd, and the other one being Dominate Digital Corporation Pty Ltd, of \$50, 000. Now, if the Greens' submission is that corporate donations are so terrible that we must ban them in their entirety, what did these two corporations' donations of \$50, 000 and \$20, 000 do to the Greens' position? I just think what we're seeing here is proof that the Greens political party are anti-business, and this is typical of their anti-business approach. More to the point, I think that it sets a terrible precedent. I think in our democracy, we shouldn't allow any move to ban any Australians from taking part.

Now, I can see that straightaway people are going to say, 'Well, you don't support a ban on companies, but you do support a ban on foreign donations.' I think it's consistent with the fact that only Australian citizens can vote that we would want to exclude any donations from overseas as well. But I don't see any logical consistency and I don't see any reason for why you'd want to ban all corporations in total from having their donations being received by political parties. By and large, these businesses employ tens of thousands of Tasmanians. They do so on a sustainable, responsible, lawful basis and there's no reason why they should be precluded from being able to show support for policies that are in their, their workers' and their shareholders' best interests.

Ms JOHNSTON - Mr Coulson, you make a very good point that around foreign entities you would want to limit it to Australian citizens because they're the ones who can vote. Corporations can't vote. Do you see an argument there, that in banning donations from corporations, because they are not participating as voters in the electoral system, may have some value? Second to that, is there any corporation or industry that the Liberal Party would not accept a donation from on principle?

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Mr COULSON - In the first instance, I think that it is a terrible precedent to set that we start excluding people out of our democratic system just because we do not like what they are doing right now. Tobacco, for example, is an industry that the Liberal Party has taken a philosophical basis for refusing to accept donations from, but we would stop short of saying they should be banned. We have, consistent with our policy settings, chosen not to accept those donations.

I think that is a completely different proposition though, to say that anyone else who has fallen out of favour at this point in time for whatever other products or particular line of business they may be in from time to time, should set themselves up to be kicked out of our electoral process. I think that it is a slippery slope, whereby today's unpopular person is just - completely disconnected from our democratic system, and I do not think that is something that a healthy democracy should be pursuing.

Ms JOHNSTON - Sorry, Mrs Pentland I will come to you first because we probably haven't caught you online.

Mrs PENTLAND - I wanted to see if you could actually provide an example of a time when the Liberal Party received a political donation, but did not subsequently support the donor's business interests through a policy decision.

Mr COULSON - Well, Mrs Pentland, I am very keen to assist the Committee as best I can. I do not think that it is proper for me to comment about any particular supporter of the party and I do not think that it would be helpful to you for me to go through that. There have been times where governments have had to make decisions that may not accord exactly with what our supporters may well be looking for. It has happened and it does frequently happen, but as I say, I do not think that it would be right for me to sit here and name anyone in particular.

Mrs PENTLAND - I will just - on that, you spoke a lot about defending democracy, which is great, I would like a little bit more detail on your thoughts on how you can champion transparency and accountability when it comes to political donations, because we know that the public are looking to fully understand who is funding our leaders and the potential impact of policy making with political donations. Have you got any other response in and around that, particularly in regard to transparency because that is really where the essence lies of this bill, not so much the democracy part?

Mr COULSON - Well, thank you, Mrs Pentland, and I am in furious agreement with you, democracy is great. More to the point, it is something that should be very jealously preserved. I don't think we should take it for granted and I think we need to be very careful about unintended consequences of bills that are rushed in to take advantage of a minority government situation, which will, I think, be detrimental to every single party except for the political party that's bringing the changes forward and dare I say, would be unhealthy for independents as well.

To go to your point around transparency -

Mrs PENTLAND - Sorry to interrupt, you are saying that it is going to be detrimental to every other party bar the Greens?

Mr COULSON - Yes.

Mrs PENTLAND - You have been saying before that they got a \$1.8 million donation, so you wouldn't expect that they are going to be in the same political boat as everyone else as far as political donations go? Or are they going to be exempt from this bill?

Mr COULSON - Mrs Pentland, I think you have hit the nail on the head. I think that the problem with the Greens inherently is they like to think that they are different to everybody else and they like to tell us that they are, but the reality is that they are on record as having received the largest corporate donation of \$1.6 million from Graham Wood in 2010.

Mr BAYLEY - I think Kevin Bonham corrected you on that, but anyway, go on.

Mr COULSON - Thank you, Mr Bayley. To go to your question, Mrs Pentland, where the bill does really benefit the Greens' operations, especially around electoral expenditure caps. As we know, whereby Labor, the Liberals, the Jacqui Lambie Network, for example, run seven candidates per seat, every candidate is encouraged and supported to do their best and go out and campaign for themselves. The Greens have a lead candidate, so they have one person who they look to get elected and the other six are expected to, as I understand, support, campaign for, and otherwise run dead to benefit the lead candidate.

Where we're talking about a situation where expenditure caps apply per candidate, that benefits the Greens political party mostly because they're able to take advantage of that because their Greens lead candidate is able to soak up all of those caps. Whereas in the Labor Party or the Liberal Party that would be terribly unfair. I think, if I propose that to PLP members, I would be rightly hung, drawn and quartered.

It just doesn't fly with other people and that's why this bill really is all about nobbling their opponents. We're not about free and fair elections anymore. We're all about levelling the playing field.

Mrs PENTLAND - Mr Coulson, I might interrupt you there -

Ms JOHNSTON - Sorry. Mrs Pentland, we have four minutes left of this particular hearing schedule and we still have a lot to cover for Mr Coulson's submission. Mr Bayley, you had a question.

Mr BAYLEY - I have a question about your business leaders' group, which is, as I understand it, business leaders who pay an annual fee to be part of that group and then go to dinners and have access to ministers and so forth. How is that treated in a donation context? Like is that reported in the context of this? Would that be captured by \$1000 donation cap? How much do they pay? And who's in this business leaders' group?

Mr COULSON - I'm not familiar with any group called the Business Leaders Group.

Mr BAYLEY - Is there something similarly named?

Mr COULSON - Look, we may have programs, they've got a range of different names based on whatever sort of thing-

Mr BAYLEY - Annual fee, go to dinner with ministers?

Mr COULSON - The thing about it is what we do run is a number of fundraising programs, which are designed to take away the transactional basis that I think people just assume every donation is. People assume that there's an amount of money paid for which there's an expectation that you're going to do something, anything, who knows what? Guess it's up to the donor.

What we've looked for and what we've created is a program that takes that away by having a range of measures in place including that it's spread out over a period of time because I think that that provides a very low-risk model for people to be able to engage, which is important, and to show support for policies but takes away, as I say, that opportunity for a suggestion of a quid pro quo, which I think to go to your point around perception would probably be the thing that people who are not familiar with the way modern fundraising operates in the major parties, would, they probably hold that out as being the most problematic.

So, as to any specific around a business leaders' program, I'm not certain what you're particularly driving at there, but as I say -

Mr BAYLEY - I am more interested in how you report that in the context of political donations in the framework of today and/or under this proposed bill.

Mr COULSON - Well as we do today, we fully comply with the Australian electoral act - the *Commonwealth Electoral Act*, I should say. That provides the basis for disclosing all of our donations or other receipts as is required by law and I can say that we absolutely comply with our lawful obligations there.

Ms JOHNSTON - Any further questions online? Mr Bayley?

Mr BAYLEY - Well look, I just am interested, how many cheques would the Liberal Party receive every year or on average, would you say?

Mr COULSON - Wow, look, that is that is quite a question, Mr Bayley.

Mr BAYLEY - You gave us the example of the difficulty of reporting because someone scratches out a cheque and posts it, and snail mail and someone's sick and so forth. We all know that the majority of donations done these days are pretty instant. They're online, they're through donation portals, they're through a bank account and so forth, and I'm sure you've got plenty of members that that do write cheques. I'm just interested to know, given we're making laws going forward and things are only going into the digital age more, sort of how big a problem the cheque is in your mind at the moment?

Mr COULSON - Well, thank you, because this is something that you do need to consider when the Committee is deliberating on this point. I would very much like to see all donations occur online. It's much easier for us from a reporting and accounting basis and a range of different measures. But the reality is there are still quite a lot of cheques. I couldn't put a specific figure on it, but I would say that we'd probably receive a couple every day on average over the year. The biggest difficulty for me is the fact that the banks don't know how to use cheques any more. There used to be a *Cheques Act* up in Queensland that set out the way in which cheques were to be operated and one of those things allowed you to sign over a cheque or to endorse it over to someone.

You see, the Liberal Party doesn't operate bank accounts in candidates' names, for argument's sake. So, if you write a cheque to me, Mr Bayley - I'm sure it's not going to be \$1.6 million - for a sum and you make it, let's say for argument's sake, to Mr Behrakis, and you send it to me to donate to his campaign - thank you very much, by the way - I find that to go down to the bank having endorsed that cheque over, having had Mr Behrakis say, 'Please pay to the Liberal Party and sign it', as is typically the requirement, most banks now don't know that that means that they're able to deposit it into the Liberal Party bank account, and so cheques can sometimes take weeks, whereby we have to go back to the donor, ask them to reissue it in the Liberal Party's name, consistent with our obligations for fundraising that candidates or MPs should not under any circumstance handle those sort of transactions and it's absolutely not any cash or cheques themselves.

Mr BAYLEY - On that, just a supplementary, in terms of reporting, you are posing the question: when would you report that? When you receive it, when the person writes it out, would when it's banked be an appropriate time? Do you have a view on what would be an appropriate time to report that?

Mr COULSON - I would say when it's banked is probably the best way. The difficulty with if you were to say when it cleared and it showed up on a statement, that may be something that a regulatory body might prefer. I don't know. But if I were advising a regulatory body, I might ask them to suggest reviewing bank statements, therefore, you would see a cheque appearing in your credit balance, not just the specific transaction, but when it actually appears and is available to be spent. It could be problematic, right? Because it could take it any number of days depending on what type of cheque it is - whether it's a bank cheque or a cashier's cheque or a personal cheque. Also, based on various institutions, the amount of time for them to clear can vary as well. I would say, at banking, and then that way you could simply produce that day's bank statements and then you would be able to provide a pretty reliable audit trail.

Ms JOHNSTON - Thank you Mr Coulson. I can't see in your submission but perhaps I've missed it, a submission regarding the third-party campaigners. Does the Liberal Party support the disclosure of donations to third-party campaigners?

Mr COULSON - Well, I would make one point. I think it's been a matter of some contention that whether or not the act's provision or the bill's provision should be made to apply to charities, and I have a view about that. Frankly speaking, I think if you're going to have a rule, you should try to make it as fair and as equitable for everyone to comply with it because, otherwise, I think even for the best of reasons, to try and exclude charities from their operation, you create unintended consequences. The clearest unintended consequence to me is that I think that some unscrupulous people might very well try and set up a charity of their own and seek to influence, where I'm sure many well-meaning charities would, of course, entertain no such thought. And that would be not too dissimilar to the Super PACs of the United States. I think we can all agree that the less our electoral system reflects the American electoral system, I think we do better, so I would discourage the committee from carving out charities, whether they are ACNC or otherwise. I think that that just creates an unnecessary loophole that could well be exploited by people who might want to do so.

But look, my final point on this, as I did put in my submission, is that I think this bill really should be taken away and properly considered. You know, with respect, while I disagree with the motives behind it, I think it has a right to be properly considered, and proper time be

given with proper consultation as to any other unintended consequences that may not be available right now.

Ms JOHNSTON - Thank you, Mr Coulson. I think that by the establishment of this Committee and the fact that we've spent considerable time considering the bill, hopefully we're giving it proper consideration.

If I may again go back to the third-party campaigners. We've heard evidence and we've used the example repeatedly of, for instance, the Cancer Council, who does a whole range of functions, they educate awareness about cancer, prevention of cancer, all those kinds of things. They receive many donations throughout the year, some which may or may not reach the disclosure threshold. But then sometimes, during an election campaign, they may decide to participate in the campaign. They spend a small amount of money on that. How do they account for which donations should be aligned with that particular spending?

Do you accept that there's an administrative problem there, where an organisation is principally set up for non-political purposes but may have a political campaign at election times that matches their overall aim or objective of the organisation. Do they then have to disclose every donation, and the difficulty around that if, given your evidence earlier today, is the difficulty for the party, which is absolutely a political entity, has to disclose. Do you accept that's very difficult for a third-party campaigner such as a charity?

Mr COULSON - Ms Johnston, before I come to the substantive point of your question, can I just address whether or not - and first of all, can I just say I certainly intended no offence to suggest that there hasn't been a full examination of the bill by this Committee's work. You've all put a lot of time into it and I, on behalf of every other person within our party, and I guess participants in the democratic system more broadly, we thank you for that time. It is a very important process that you're going through, and I certainly wasn't seeking to criticise the work that you've done.

However, I think that given the importance of the bill that's before you and the changes to a democratic system, that there is a duty on all parliamentarians to take the time to get this absolutely right. Because when it comes to the *Electoral Act*, I think it's very easy to come in with the best of intentions, some might say - others might disagree with that, and I certainly do - and create changes that, with respect, haven't been given a proper amount of time and consideration, and then create some unintended consequences. I think when it comes to amending the *Electoral Act*, we should seek to apply a light touch, and only when there is very clear evidence of a problem that we're seeking to solve, just by way of a general comment.

To come to your specific question, as I say, I don't think that you should create one set of regulations for parties and then another one for everyone else. I would suggest to you that if, to use your example, the Cancer Council wishes to become politically active during a campaign, that they should set up a separate bank account which doesn't cost them very much. \$4 a month, I think, depending on the institution that you're with, that any donations that they want to receive for that process should go into that particular account, and any expenditure that they want to make in relation to their political campaign should come out of that account. And then that way, you could very clearly and robustly scrutinise that organisation's activities in respect of who was donating and where the money went.

Ms JOHNSTON - Thank you, Mr Coulson. Any further questions?

Mr BEHRAKIS - If I might, just on the topic of unintended consequences and the topic we were just talking about: is there - and apologies if it's been touched on before I arrived - is there the risk of having the unintended consequence resulting in something akin to what we see in America with Super PACs where you have organisations set up to sort of funnel donations or funnel donations or funnel money to particular causes or candidates, with, ultimately potentially less transparency?

Mr COULSON - I think that is certainly a risk from carving out charities, be they ACNC registered or otherwise, and I think that is something that we should look at much more carefully.

Another unintended consequence, while I'm on the topic, is the Truth in Advertising section. And I'm prepared to give the Greens political party the benefit of the doubt on this one, because I think we'd all aspire to have more truth in our electoral process. I, for one, get very frustrated with some people's statements. Let me share with you a couple of my concerns that I think could be considered by such a truth in advertising section. As I said in the submission, I think it risks politicising the TEC. I don't think the TEC is the right actor to be doing that; they've got a very important job to manage elections anyway, it's pretty tough and I think they should be given free air to do that. The difficulty I see is that if they do have to enter and find someone's statement to have not aligned with the facts, I think that risks the supporters of the person or the party that made that statement to lose faith in that body and I don't think that's in anyone's interests. I think what you're likely to see is they're just not going to make any statements and it doesn't lead to any change at all.

Let me give you a couple of examples. The most classic example - and Mr Bayley, I'm not singling you out, but it is a statement that you've made previously - is references to a 'billion-dollar stadium'. There's no fact out there that states the stadium is going to cost that much. In fact, the only fact we have right now is the plan for that particular piece of infrastructure which says that it's \$715 million. You may well have an opinion that that's not going to be the case, but that's all that is. It's not a fact and yet that statement appears in just about every single piece of political advertising from the Greens political party that I was able to find in preparing to come here today. Again, not to single you out Mr Bayley, but the second example is the Greens peddling the story of the mining industry being awash with government subsidies and that is a myth that evaporates on inspection. Last election -

Mr BAYLEY - That's not exactly true, Mr Coulson. Mining exploration is subsidised with explicit government programs, thank you very much.

Mr COULSON - In the 2022 election, the RMIT fact-checkers said that Adam Bandt's claim of \$10 billion per year of subsidy to the mining industry was overblown, a very polite way of saying it was incorrect. The biggest items that the Greens were able to point to were fuel rebates and R&D incentives, but they were two items that were made available to all operators across the economy, not specifically to the mining industry. It simply does not align with the facts. I understand that it's politically convenient for you to make that statement but it's just not the truth.

Finally, and this for me is possibly the most galling - and again, I'm sorry, Mr Bayley, I feel like I'm singling you out but it's certainly not my intention - is the Greens political party in relation to climate change and energy policy saying that they're the only party who cares. I've got some material here, if you really would like me to share this with the whole community.

Despite saying they want to fight climate change together, the Greens political party oppose building a wind farm and want to tear down a vital hydro dam. Not to bring him up again for this submission, but Dr Bob Brown said that it was manifestly the best option for Tasmania to build a coal-fired power station in the Fingal Valley rather than a hydro dam. I just wonder how I can reconcile so many statements by a political party that holds itself out as being in favour of a cleaner environment and doing something about climate change who then opposes wind farms and hydro assets.

Mr BAYLEY - We support protecting the environment, threatened species and Aboriginal and cultural landscapes. There's a whole range of reasons.

Ms JOHNSTON - We might go to Mrs Pentland for a question and recognising the time, is almost quarter past 11, we have another witness waiting so we will keep it quick, Mr Coulson, with the answer.

Mrs PENTLAND - I just wanted to see if Mr Coulson had any regrets or felt that the Liberal Party should have not have done what it did in in regard to the false advertisement that went with the buying of the URL for the websites of the Jacqui Lambie Network and tricking electors into jumping onto your site thinking they're actually jumping on Jacqui's site. Was there any regret within the party in regard to that kind of behaviour during the campaign or was that something that was approved and, you know, a job well done?

Mr COULSON - Mrs Pentland, I appreciate the opportunity to talk about this. I say from the outset that that website did comply with the law, it complied with the *Electoral Act*, it was properly authorised. In fact, it even bore my name. What would not prevent that website from occurring again is the mechanism in the bill before us, and forgive me for talking to the terms of reference but that's what we're here about. The bill talks about preventing a statement purporting to be a statement of fact that is inaccurate and misleading to a material extent. In contrast to the three examples I talked about where the Greens political party hold themselves out as being on the side of dealing with climate change or where they hold themselves at -

Mrs PENTLAND - Sorry, can you just keep it to talking about the website specifically? I just wanted to know what your thoughts were and what the Liberal Party thought about that site, not really asking a question around what's happened with the Greens as such.

Mr COULSON - Thank you, Mrs Pentland, I will come to the point. This bill, as we are working through together today, would not prevent a similar situation from occurring in the future, because there was nothing on that website that was a statement purporting to be a statement of fact that is inaccurate and misleading to a material extent. The difficulty arose for the Jacqui Lambie Network in that they had registered lambienetwork.com.au but they had not registered lambienetwork.com. Now that I think about it, I think it is the reverse, I beg your pardon. The situation was that someone was able to set up a website with a similar URL that bore an image of Senator Lambie and was in similar colours, but made the point that the policy statements being made at that point during the election were certainly not what a reasonable person would expect from a political party that sought to hold a seat in the parliament. May I say, I think it was good that in response to that the Lambie Network put out a discussion paper taking a number of positions and have been able to inform people of their policies, and I thank you for doing that, Mrs Pentland.

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Ms JOHNSTON - Mr Coulson, we might have to end it there. We have another witness waiting to appear. I just want to double-check to make sure that our Chair, Rebecca White, is okay with it. I can see her nodding there. Mr Coulson, thank you for appearing today. We appreciate your time.

Mr COULSON - Thank you very much, Ms Johnston. Mr Bayley, thank you for being a good sport, and Mr Behrakis and members of the committee, thank you all very much for your time.

The witness withdrew.

The committee suspended at 2.17 p.m.

The committee resumed at 2.22 p.m.

Dr ROSALIE WOODRUFF, MP, LEADER OF THE TASMANIAN GREENS, WAS CALLED AND WAS EXAMINED

Ms JOHNSTON - Thank you very much, Dr Woodruff, for coming in. With us today we have Mr Behrakis, me, who will be facilitating the meeting, although we still have our Chair with us online, Ms Bec White, Mr Bayley and Mr Wood and Mrs Pentland online. Do you wish to make an opening statement?

Dr WOODRUFF - I do, thanks, facilitator, and thank you, Chair and Committee, for the opportunity to make a representation today on behalf of the Tasmanian Greens. I want to thank, on behalf of the Greens and as the person taking carriage of this bill, the opportunity that the Committee has afforded the public conversation on this matter, and for the time and work you've put into the inquiry so far. I want to thank all the people who've made submissions and who attended and appeared as witnesses. Their insights and conversation were important and very interesting.

On behalf of the Greens, I have been paying close attention to the comments that people have made during this process. The government's reforms, as we all know, that were passed last year, were welcome, but they still leave Tasmania in a situation where we have got the weakest laws in the country regarding electoral disclosure and funding. Since 2018, Victoria has reformed their laws in this area, as well as New South Wales, Queensland, Western Australia and the Northern Territory. They've all passed reforms to enhance political donations and expenditure framework and made them more public. There are stronger laws proposed at the moment for South Australia under a Labor government. Far stronger.

I want to address some of the issues and specific recommendations and comments that people made in the course of the inquiry and comments that I followed in the discussions from the Committee. Starting off, regarding donation and expenditure caps, we believe that the submissions and evidence presented to the Committee make a strong case that our proposed donation and expenditure caps are in the right ballpark. Our view is that the amount that we stipulated for both of those matters, for donation and expenditure levels, are reasonable and that they should remain at the same or similar levels. We are open to hearing views about variations on that particular matter. The Tasmanian Policy Exchange proposed indexing the donation caps and thresholds, and the Greens are open to applying an indexation formula to donation and expenditure caps.

Regarding that, in relation to expenditure caps, the bill currently applies a flat dollar increase each year, but we're not particularly attached to that approach to annual variations, so we're open to views about other positions.

In relation to donation caps, there's not currently a method proposed in our bill for increasing the level of the cap each year. We'd want to make sure if that was proposed that any formula didn't lead to an increase in the cap in real terms, but we're receptive to finding a place for reasonable indexation. We'd want to keep the principle of the amount, the amount that was the cap, reflected in whatever level of indexation was proposed.

Regarding the disclosure of political donations made to candidates, the Tasmanian Policy Exchange proposed that there should be 24- hour disclosure and 24- hour publication

timeframes applied from when the writs are issued for the full period of the election campaign, until 48 hours, or two days, before polling day. Dr Kevin Bonham proposed the timeframes for requiring disclosure of donations within 24 hours should be extended to two weeks before election day. His argument is that we should be accounting for the now very large proportion of people who pre-poll, vote early.

We're receptive to views for arguments such as these, but we're not particularly concerned about the fact that they're not in the bill that we've got. Our view is that the timeframes proposed in the bill are reasonable and that the amendments proposed by those two parties would impose a longer period of administrative burden for a relatively small gain. So, again, we're mindful of the balance to be struck between the public interest, for transparency and accountability, and also the importance of balancing the real-life administrative burden of these things on all manner of candidates and other parties.

The Tasmanian Policy Exchange and the Tasmanian Constitution Society proposed that no political donations should be permitted in the 48 hours, two days, before polling day, to make sure there is no opportunity for donations to be made without public scrutiny.

We're open to the idea of a ban on political donations two days before polling day. It could be as a matter of practicality that it only applies to reportable political donations, so where something falls below the disclosure threshold, then that would not be included. That is a possibility. Other donations above that might be included within that 40-hour period.

There are a number of submissions and witnesses who supported the requirement that disclosures of donations made outside of election periods should be made within seven days. Our bill contains the requirement for seven-day donation disclosure outside of election periods, but we also heard and recognised the feedback to our bill, being that a longer timeframe for disclosing outside of election periods closer to 28 days, one month, would be more manageable and more reasonable. We can see the argument for longer disclosure timeframes outside of an election period. It's our view that the transparency advantages that are offered by seven days' disclosure all year round compared to the less onerous 28 days are small, so that seems like a reasonable way to head.

On the matter of Legislative Council public and administrative funding which has been raised by a number of representations on the application of, sort of, extending public funding to the Legislative Council, the Greens support doing this, in principle.

Any amendment in this space would need to be developed with significant input, obviously, by members of the Legislative Council. We're looking forward to the consideration of the Committee on this matter, but that is something that we would consider doing after considering the report and the comments that the Committee makes.

Regarding the limitations on who can make donations, that's our proposal to only allow that natural persons are able to make a donation to a candidate or a party in an election and our position as a party hasn't changed. The legislation that we passed last year will ban foreign donations in Tasmania, but it still fails to ban other known and potentially highly corrupting donations from property organisations, from tobacco and gambling industries, and it's long been established that those industries in particular have an absolutely corrosive effect on democracy and they pour often huge sums of money into governments to influence decisions.

They're certainly not the only ones, and we've listened to the comments that have been made during the hearings and will be informed by the Committee's view to determine what sort of donations limitations we would support, but fundamentally we are working from the point of view of having a fair playing field and an opportunity to remove the very damaging influence of big, vested interests on politicians and governments making decisions in the public interest.

In relation to third-party regulation, there's quite a number of submissions to the Committee that have called for charities to be excluded from donation caps and disclosure requirements. We're open to some changes in the electoral finance framework that recognise the specific concerns of charities, but we're really cautious about an outright exclusion of charities from the application of some of these rules.

For example, we're concerned about the impact that it might have on fair discourse. If a registered charity is on one side of an issue and a lobby or advocacy group that's not a registered charity is on the other side of the issue, then one side would be subject to more lenient financial rules and we think that's a problem that needs serious consideration.

We're interested in the findings that the Committee might make on this matter more generally and, again, I come back to the principle that we work from which is charities have interest to prosecute, third parties who are non-charities have interests them. They might not be charities, but they're valid interests.

Charities, you know, it's often the fact that it's the Greens who are fighting to represent the views of charities and so I would call charities a key stakeholder for us as a party. But that doesn't mean we have the a greater principle about a fair playing field and trying to make sure that there's an evenness in the legislative reforms for charities and other third parties to prevent the situation that we had, for example, in the 2018 election, where there was a third party where large sums of money were funnelled and it's a back-door way of putting money into campaigns that is essentially secret, untraceable in its current form and definitely has a very biasing influence on the election campaign. That's what we're trying to avoid.

In relation to truth in political advertising, it seems fair to say that witnesses were somewhat split on whether there was merit in including truth in political advertising positions in electoral reform amendments. I want to acknowledge some of the challenges that people raised and they're real.

I also want to acknowledge the deep concerns that many people in the community, including the Greens, have at the vastly different landscape that confronts all democracies these days with social media, the viral speed of information communication, the availability of artificial intelligence that can present realistic fake digital information. With all that in mind, the Greens continue to support the introduction of reforms that require candidates to be truthful about the statements they make in political advertising.

We recognise the complexity of reforms that are needed to do this task and also, at the same time, not to constrain truthful communication and that is obviously the tension point. But we don't think no action is the right approach in this situation and we'll listen with interest to your thoughts on the evidence that's been presented.

We also note the Attorney-General's comments regarding the risk of coordinated campaigning with respect to expenditure caps. and the solution that the government offered in

its testimony, which were provisions echoing those in the section of 130ZC of South Australia's *Electoral Act 1985*. That's a straightforward provision that reads:

If a person to whom this Division applies enters into an agreement or arrangement with a third party such that the third party will incur political expenditure in relation to an election during the capped expenditure period for the purpose of the person to whom this Division applies avoiding its applicable expenditure cut for the election, the person to whom this Division applies is guilty of an offence.

I recognise that's an extremely long sentence and very difficult to digest, but I just put it before you as evidence to the committee as a matter for consideration.

I'll summarise so there's time for questions. The Greens are committed to working collaboratively to improve electoral donation and funding laws in Tasmania. There's no doubt that our democracy needs to be more apparent and more transparent, more accountable and oxygen-clear about who's paying for campaigns when people stand for Tasmania's parliament.

As a result of the comments that have been made by Committee members' and submitters' feedback, we plan to give considerable consideration on how we will proceed with this legislation after the Committee's final report.

We acknowledge there's been appetite for amendments related to the Legislative Council, and, as such, we would consult with Council members about the changes, if any, that they would like to see. I want to thank the Committee for being flexible about the timing of my presentation today, to enable me to respond at this later stage of the hearings to some of the things that witnesses have said. I look forward to your questions that you might have about anything I've said or anything else.

Ms JOHNSTON - Thank you, Dr Woodruff. I might go to online first, if I may, to see if there's any questions before we begin in the room. Ms White?

Ms WHITE - Thank you, Chair. Can I just ask about the comment you just made then, Dr Woodruff, in particular relation to the disclosure period? Am I right to understand that you've now drawn the conclusion that disclosure should happen all year round at the same frequency, and would that be every seven days?

Dr WOODRUFF - No, that's not what I was trying to get across. The disclosure period was in fact - what I said is that we've listened to the comments that people have made and it seems reasonable to have a 28-day disclosure period outside the election time period, and that the transparency gained in having seven days, balanced with the administrative burden, doesn't seem like it's worth that extra effort. So, 28 days outside of the election period seems like a place that would sit and still provide the transparency that's needed.

Ms WHITE - Thank you for clarifying. Thank you, I'm glad I checked. My connection is not brilliant, as you've probably worked out.

Ms JOHNSTON - Thank you. Any questions in the room? I might start off, if I may.

We've heard some evidence about the difficulties - the administrative difficulties and the practical difficulties - in disclosing, and we've had lots of examples of people being sick, for instance - potential difficulties in meeting those deadlines around disclosure. One of the issues is that the provisions are strict liabilities: you either meet the deadline or you don't, and you either fall foul of it or you don't fall foul of it. Do you have a position on whether there could be still the principle that this needs to be adhered to in terms of the deadlines and the time frames, and I recognise the importance about that - but there being, for example, a reasonable excuse, so that it's not a strict principle, for fear of throwing out the good by trying to get to the perfect?

Dr WOODRUFF - That's an interesting point and I think it would depend on the stage in an election campaign or outside of an election campaign. At the start of the election campaign, at the very end of the election campaign. Where you have time frames which are tightening up towards the end of the election campaign, there would have to be a much higher bar for people failing to disclose in that time frame because the failure to do so would be a huge transparency breach. For whether it was a small issue behind that or not.

I think there would have to be very close attention to what the exemptions would be allowed to be. Who would determine those exemptions? That would have to be quite - not sorry, I forgot - or sorry it was too hard or sorry I was sick or sorry, whatever other sorry. There would have to be a really kind of tight list of valid reasons, and there would be a much higher kind of penalties for doing it at different times in the election or non-election period.

Ms JOHNSTON - Thank you. Mr Behrakis?

Mr BEHRAKIS - I had some questions, but not on this part. If people had more questions on this. I am happy to do that.

Ms JOHNSTON - I think we will come to your questions, Mr Behrakis.

Mr BEHRAKIS - On the truth in political advertising, we heard a few different concerns and issues raised. One of those was from the TEC and their sort of concern about potentially being politicised or potentially being implicated in the political back-and-forth if they are looked at to be the ones providing this check and balance. Do you have any reflections on that?

Dr WOODRUFF - We based our amendment in that area on what had happened in South Australia. I think it is really worthwhile having these conversations, hearing the views of the TEC, hearing how things have gone in South Australia. I think it is important to make sure that there is not an overly onerous burden on the Electoral Commission and not to put them in a situation where they feel they are not able to do their work or in any way compromised in that.

In saying that, that would need to be a body that did that who was beyond reproach and was considered to be politically neutral. The reason why the Electoral Commission has been identified, and was identified in South Australia, is because they are that body and they have such respect across the political spectrum. It is a question about finding who would do that, who would have the confidence of the community and the powers to do that.

I did listen to the comments and the concerns about how it is difficult to - I think, Dr Kevin Bonham was talking about - matters of fact, matters of opinion and things which are

potentially defamatory, clearly false statements, but whether they are false in a matter of fact or not, these are difficult issues. I think we could probably have broad agreement about some of the extreme things that happen with fake digital images, people saying things and they never said it, statements that aren't real. That is fake news and that is really concerning. There is a big spectrum beyond that. I do think that we need to have a real investigation into exactly where we land.

The South Australian situation, however, is valid. It is running and it is a model which we believe is a starting point, but we would be interested to hear what the Committee has to say.

Mr BEHRAKIS - Yes. I suppose that I am trying to separate my opinions on the principle from the mechanics of this. I suppose one of the issues is - and I agree that the TEC currently is seen as being above reproach - I think that is really important. We do not want a situation like we have seen numerous times in the United States where, the validity of election results starts getting called in. Nobody wants that. I think that is a pretty safe thing to say.

Dr WOODRUFF - It is frightening.

Mr BEHRAKIS - Yes, it is pretty safe thing to say that nobody wants that. One of the concerns, I cannot remember if it was the TEC themselves or Dr Bonham or somebody else that said something, but you do not want a situation, where, potentially somebody, a party or a candidate puts out a statement which might not meet the high threshold that you would need to be in breach of the truth in advertising law, that might be mischievously worded, that might be disingenuous and then if the TEC fails to call it out as being in breach. Someone could wave it around saying the TEC said that they agree that this is true and use it to politicise the TEC in that way. There is a risk of that happening. There is always potentially the risk if the TEC chose not to investigate somebody, then people on the other side of that party or candidate might start accusing bias by the TEC of not getting involved. Does that then potentially risk the status it has of being above reproach and being such a well-respected organisation? Is there a need for a separate body to be doing that if we were to go down that road?

Dr WOODRUFF - All bodies - the integrity body, the ombudsman - are always at risk of being attacked if they do not provide the response and the answer that the parties would want if they provide it to this party, but not to that party. I think the most important question for the Integrity Commission is: do bodies have the appropriate powers to enable them to make a decision that is obviously in the public interest where the public can see the process is being done and is open, above board, and there is accountability? It would be about providing the Electoral Commission or other body with the powers and a clear set of rules about what is in and what is out so that people can see the situation. That is the best we can do in democracy. There will always be people who don't agree with positions and we just have to provide our integrity bodies, our Electoral Commission, with the powers and the clarity of purpose and decision-making so they can stand and respond with strength to those views in the community when they make decisions that aren't popular.

Mr BAYLEY - Dr Woodruff, there has been a fair bit of discussion and submissions about donations being constrained to natural persons. Have you reflected on any of that and have a view in relation to some of the interests, such as property developers, gaming, liquor, tobacco, et cetera we have named in the submission? Have you reflected on the discussion and

the submissions and have anything to contribute to the committee in relation to natural persons and that restriction?

Dr WOODRUFF - Yes. I mentioned those ones with banned foreign donations and that other list of things. I'm shocked as a Tasmanian that we haven't banned at least those other corporations, I just find that shocking when the Commonwealth and so many other states have done that. There are lots of reasons why it does not happen, but there is a big list of corporations that can influence different state parties in this instance, depending on the industries and the business sector in each jurisdiction. We have listed three that ought to be in there, tobacco gambling and property. In Tasmania, the Greens believe there is an unholy influence of the large salmon companies on the way that finfish farming regulations are done in this state. That is obviously something which is a special Tasmanian case. In other states they would have different ones and there are others in Tasmania too, so rather than making a list of things in and out, it is much better for democracy to just take out corporations.

People who are in corporations can advance the views that they hold in that corporation when they register their vote as an individual. We do not need to give a special step up for organisations when they donate to a party. These corporations have so much power and capacity to provide their views in the public marketplace by virtue of the money they have to put into promotional material, far more than an individual person or a community has to do that, so they already have a special advantage by virtue of their extra wealth of influencing candidates in election. It means that we're not picking and choosing corporations, we're just seeing that people in corporations already have a capacity to make donations, but you don't do it through a corporation. There are so many different corporations who are choosing to donate in secret in Tasmania below the current threshold and we just don't know who those people are, who those organisations are and what their interests are.

For us in the Greens it's all about having things open so that people know where money is going and we think corporations should be kept out of that and it should just be individuals - everyday people in the community - supporting people they want to stand for them to represent their views.

Ms JOHNSTON - Just on that, I note in your submission you say it's the Greens' preferred approach to adopt the Canadian donation laws. Has Canada always had donation laws that excluded anyone other than natural persons, or is that a recent change? If so, what was the impetus for that? Was there an issue of corruption that perhaps led to the banning of corporate donations? What was the reason for Canada adopting those particular laws?

Dr WOODRUFF - I'm not sure about the details of the background of the Canadian legislation, but I'd be happy to do a bit of digging and provide that to the Committee if you'd like.

Ms JOHNSTON - It would be interesting to know if it's always been that way or if there was some issue they were trying to resolve in in changing their laws.

Dr WOODRUFF - Yes, it'd be unlikely it was always that way, but Canada is quite outstanding in a number of areas like that so perhaps it has always been that way.

Ms JOHNSTON - Have we lost our Chair online? Ms White? Mr Bayley?

Mr BAYLEY - I don't think I have any more questions.

Mr BEHRAKIS - I know you referenced Dr Bonham. Going back to him, we spoke at length about the donation caps and expenditure caps and he expressed the view that the fundamental issue was more about transparency and knowing where money was coming from or who money was coming from and where it was going rather than caps. Is there an issue, especially in Hare-Clark where people's names and profiles are almost of paramount importance, where especially expenditure caps could potentially give an unfair advantage to incumbents who have the ability to put out a media release and have it published in the news without having to spend a dollar, whereas a new candidate might not be able to do so and whether there's any issues of fairness around that for new candidates?

Dr WOODRUFF - There's always a problem and a disparity between incumbents and new people coming in, isn't there? I think that's the case in Hare-Clark and everywhere.

Mr BEHRAKIS - Is that not exacerbated if you're limiting the amount that a candidate can spend on trying to get their name out there in competition with somebody who is an incumbent who doesn't have to spend money to do so?

Dr WOODRUFF - If it was a very low expenditure cap, but I think it's a pretty high expenditure cap really. I believe Mrs Pentland talked about this previously and said she would struggle to spend anything like that amount of money. Again, it's about balance, and given that it's where it is at \$83,000, that's a pretty substantial amount of money. If you look at the Legislative Council election campaigns, \$19,500 I think is the amount for those campaigns. In comparison, that's a fourfold and more increase that we're talking about, so it seems like a pretty good leg-up for anyone who wants to put their hand up for politics.

Mr BEHRAKIS - Where did you derive that number from, the cap that you guys have proposed?

Dr WOODRUFF - That came from the Commonwealth inquiry into electoral reforms a number of years ago and that was taken from that period and their numbers were slightly lower than that. We used CPI to increase it from the time of when that report was handed in, I think in 2015, to now to get those figures for where we are today. It was taking that Commonwealth inquiry which had a lot of people making representations and deep consideration and we took their analysis and where they landed and brought the figure up present to what it would be today.

Mr BEHRAKIS - Just continuing on this train of thought and some reflections from Dr Bonham was that the big issue in regard to expenditure during elections is the multimillionaire that might come in and spend \$2 million on making sure that he effectively buys himself a seat, say the 'Clive Palmer factor'.

Outside of that, is there a problem that's evident in Tasmania that this provision is aiming to fix where people are spending exorbitant amounts of money to secure unfair and unreasonable political advantage? Has there been documented - has there been instances where this has occurred? Like what are we trying to fix here?

Dr WOODRUFF - We're trying to fix the situation of the 2018 election campaign with your party, Mr Behrakis, where there was enormous amounts of money flowing into the

election. That was coming in through a third party, through the Love Your Local campaign, money coming in from federal hotels, through funnelling that into a whole range of advertising that, overall, on the election campaign meant that the Liberals spent a huge amount of money. I can't remember the figures, six to eight million or something like that was where it landed in the end.

So, looking at our reforms overall, if you took that money that effectively went to the Liberals campaign in 2018 and put an expenditure cap on it and stop that thing happening from third parties, which is another one of the reforms we want, you're actually talking about a hugely reduced spend that the Liberal Party would have made in 2018. We think, and many in the community think too, that that would have made big difference to the shape of that campaign.

There was just so much money spent on advertising and it completely blasted out the Labor Party, the Greens and the independents who were standing and other parties who were standing. It was such a disproportionate amount of money flowing out of one party that it did have a corrosive effect on that election.

Mr BEHRAKIS - Would that not have been resolved or addressed in other parts of your own bill, and I suppose the existing legislation where we talk about making sure that those payments and those donations are transparent and people know where the money is coming from or where it's going to rather than saying that it can't be spent?

Dr WOODRUFF - No, we think it shouldn't be spent because it's still not an even playing field. If there's a cap, I mean, we've got this principle already in the Legislative Council. We've already got it. That's what we do in the Legislative Council, everyone has \$19, 500. You just don't get to spend more than that and we think that's a good principle. It's fair. We need to agree as a community, as a parliament, what the cap is, but the principle of having a cap, a total spend on elections, is totally fair.

I mean, it operates in one House, why wouldn't it operate in another House?

Mr BEHRAKIS - I suppose just because you do it in the other house doesn't mean it's the correct thing to do, but that's just my own reflection. I did have another one but it's escaped me so I'll -

Ms WHITE - I wanted to ask if you could explain the way the mechanics would work for the cap. I had a conversation about this with you in the Chamber. Is it an \$830,000 global cap for a party regardless of how many candidates they run? Or is it dependent on how many candidates they've got who have nominated?

Can you elaborate on who this would apply to and how? For instance, where you have a minor party that only runs three candidates in some electorates, would they be able to spend as much as a major party that runs full tickets in every electorate?

Dr WOODRUFF - As we have in the bill at the moment, it is for a party, so it would be the expenditure of the Labor Party, the Jacqui Lambie Network party, the Greens party and yes, if we run 35 members and, and another party only runs 15 members, there is a comparative advantage in terms of the spend per candidate.

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On the other hand, it's the choice to run 35 members versus 15 members. You don't have to run 35 members. We choose to do that, and that has its own kind of value or cost as well. So, there are trade-offs there-

Mr BAYLEY - But it's a cap on both? Is it a cap on both candidate and party?

Dr WOODRUFF - Yes, that's right, but I don't think you were asking that question, were you? No. Within a party, individual candidates who are running as \$83,000 - and it's \$83,000 per candidate within a party cap, but the total figure for a party, regardless of how many candidates, is capped in this case - does that explain that?

Ms WHITE - It does, yes - I'm not sure if that's necessarily fair -

Dr WOODRUFF - So, I guess where -

Ms WHITE - But I wanted to also ask you how would that amount per candidate be decided? Would it be up to the party decide how they allocate those caps internally to candidates, or would you expect there's a different mechanism for that? In instances where you're running 35 candidates, you're going to quickly get beyond \$830,000 if everyone were to spend \$83,000.

Dr WOODRUFF - Well, that would be up to the party to make some determination about how that was going to be allocated. I mean, and I don't know, but I think most parties probably - I'm just guessing - don't spend as much on their lead candidate as they do on the person who's seventh on a ticket. I'm just guessing, you know, that's probably standard practice. And so, there is decisions made about money allocation to candidates already, so it would have to be something that is considered within the party, by the party.

Look, we welcome the Committee's thoughts on how they should be advanced, on how we can have a fair expenditure cap regime. I mean, I've listened to the comments and I think overall that people have broadly supported expenditure caps and broadly supported the kind of ballpark of where we were. But, as I said before, we're open to hearing the Committee's views on this, and you certainly raised questions that the Labor Party's obviously thinking about, or possibly concerned about how it would function, and they're reasonable. So, we'd like to hear the committee's thoughts and where you get to.

The principle is about having an expenditure cap in the first place. Secondly, about recognising that there has to be and there is a difference between people who are running as an independent and people who are running in a party, and there has to be some way of balancing the fact that if you had 35 candidates for a party that's been established, like the Greens, the Liberal and the Labor parties, versus a newer party like the Jacqui Lambie Network, we - with people who are running 35 members, are running a different sort of campaign, we have to have something which balances the number of individual people in the party and the overall party spend, so that it's not disproportionately greater than people running as independents. Otherwise, there will be a large disadvantage to independents and people in smaller parties.

Ms JOHNSTON - Mrs Pentland, did you have a question?

Mrs PENTLAND - No, I was just going to touch on that scenario that Labor gave us in regard to the ACT. They gave us an example there in the submission of the \$50,000 for each candidate. Did you have any thoughts in and around that?

Dr WOODRUFF - About that figure?

Mrs PENTLAND - Yeah, when they were talking about the \$50,000 per candidate, and if you're running a full ticket that you'd get the \$50,000 for each candidate. So, you know, if you had the 35, and then obviously someone who's an independent would only have \$50,000. So, I just wanted to see if you had any thoughts in and around that submission, and whether that was something that the Greens would agree to or thought that that was a good idea.

Dr WOODRUFF - Well, yeah, like I was saying before, we think it's not as fair on our democratic system for independents and small parties to have the situation that you've just described, where you could have 35 times \$50,000, and a person in an electorate would be running against, if you like, a huge lot of resources potentially - which is the case now, right? I mean, let's face it, that is the case in Tasmania now. What we're talking about is changing what we have now because there is no expenditure cap. We don't have disclosures that really, we know who's donating to whom. Our donation caps are incredibly high. We are already operating in that sort of a system.

What we are trying to do is talk about how to make it fairer. We think that following the recommendations of the Commonwealth, the Senate Committee into this and acknowledging that there should be a cap for parties, which is not just a multiplier of the number of candidates in the parties, but is capped at another level, so 83 versus 830. Does that answer your question? Our view is that we do not support it because it is too unfair.

Mrs PENTLAND - Yes. Is it just me or is that outrageous? \$83,000 for one person to spend on a campaign? I don't know. We would have maybe spent one tenth of that each, not even in the JLN. I just think that is just a crazy number. Is that really happening? Did someone really spend that amount of money?

Mr BAYLEY - Terry Brooks spent \$300,000, didn't he?

Dr WOODRUFF - Yes. Yes, it is definitely happening or has definitely happened. Like I was saying, Legislative Council members, they have a cap of \$19,500. There's a balance to be struck here somewhere. Some people would say \$83,000 is too low. We do not think so. We think you should be able to say what you need to say with that amount of money.

Mrs PENTLAND - Yes and this is a problem with advertising agencies on your radio and all the rest of it. I mean, I was getting quotes for myself during that time. We advertised on the radio through other businesses, and they are just rubbing their hands together during this time. It's almost five times the amount of what you normally pay for advertising in a business than in the time for a campaign.

Is that not a problem, as far as integrity goes? With people who are providing services for businesses during this time and rubbing their hands together and thinking, 'this is a good way to cash in'?

PUBLIC

Dr WOODRUFF - That is a bit outside the scope of our reforms. I am not saying that it is not something worth considering but that is not -

Mrs PENTLAND - If the reforms happen, it might curve that behaviour because the money is just not there to spend.

Dr WOODRUFF - It is going to be a good thing. It doesn't sound very fair, does it?

Mrs PENTLAND - No.

Ms WHITE - I wanted to ask about the expenditure period. There is a very clear expenditure period in the upper house, which is from 1 January of that election year. They have got fixed terms which make it easy to calculate how much you spend.

Can you elaborate on how you would decide an election period, given we do not have fixed terms in Tasmania?

Dr WOODRUFF - Yes. That is very difficult, especially when you have these snap elections - like, two in a row - so it is very difficult for people to plan when they would start campaigning. I'd look forward to the Committee's views on this and we are open to considering options for improving that process.

Did you have thoughts, Ms White, like as from the Labor Party's point of view, is this something that you have got a view on?

Ms WHITE - Thank you. No, not in particular. I am just hearing because the bill that came to the parliament spoke about an expenditure period and we discussed how you might define that because we do not have fixed terms. That was also a question in relation to the general cap being \$3000 over a period of four years. When, as you have just pointed out, we have had two elections where the term of government hasn't lasted four years.

A provision like that makes it quite difficult to enforce or implement because it is going over a couple of election cycles. How do you deal with that?

Dr WOODRUFF - I think that we do need to have some more thought about the way elections are occurring in Tasmania. They aren't good for democracy because there isn't an opportunity to progress progressive legislative reforms in the parliament for people outside the parliament. We cannot plan functioning and getting good electoral outcomes as members of parliament when elections just keep happening and it's very destructive being in a state of constant electioneering. We're not quite there, but it feels like we're not very far away either and I think having, you know, having some sort of fixed term or some sort of sliding scale of term helps us to get outside of a state of constant electioneering, which is really destructive because it means governments aren't focusing on the issues that are most important; the issues of the day.

As to your question, we'll give it more thought. I think it's important to think about that issue about when governments don't have a fixed term. Yes, we'll take that on board and think about that and look forward to the committee's views on it.

PUBLIC

Ms WHITE - I appreciate that. Obviously, the terms of reference of this Committee are not broad enough for us to examine fixed term elections, for instance. It could be something that we discuss, but in the absence of that, the bill that's before us to inquire into, talks about effecting certain changes or has certain clauses in it that are challenging because we don't have clarity around when the next election will be. How do you determine an election period, how do you determine a four-year period for an assessment of disclosure of donations if that's not the same as a term? So, in the context of the work we're doing, I think it's quite difficult for us to understand how in practice you might apply some of those principles.

Dr WOODRUFF - Well, the expenditure period after the period during when the writs are called is a defined period of time.

Ms WHITE - Yes, it is. That's a very short period of time though, particularly in contrast to the upper house, which is about four months. And yes, you could certainly use that as an example, but would you feel comfortable with that someone spending \$83,000 in what effectively could be four weeks? Do you think that serves the purpose and meets the intent of the bill as designed?

Dr WOODRUFF - Well, we're trying to improve the situation on what it currently is and this part of the bill was drawn, like I said, from the Commonwealth's work and I think there's a valid question to be asked about what happens outside that period and whether the expenditure period should be defined in a different way. That is how we've defined it for the purposes of this bill, but for the reasons that you've raised it is difficult and there is a good argument to be made for trying to come up with another definition. I think we need to have some clarity about when government's going to term, I think it's better for democracy. We'd all agree that having something close to fixed terms would be better for democracy. But as for expenditure periods, it could be, we would be open to an idea about expanding it, but functionally that is from when the writs are called.

Ms JOHNSTON - Thank you. I have a question regarding the difficulties we have around the charities and defining the parties and campaign material and expenditure. I'm not sure if you managed to hear the evidence from TasCOSS presented a week or so ago, in particular the evidence from Jan Davis on behalf of TasCOSS. She talked about the difference between charities and lobbies, lobby groups and activist groups, and about how charities specifically cannot promote a political party.

They can inform voters in terms of a range of policy platforms from various political participants, but they can't say 'Vote 1' a particular party or things like that because it would be in breach that ACNC rules as distinct from lobby groups or incorporated associations which don't have that same restriction. When we're talking about disclosures of third parties in terms of election spending, do you see a difference between charities and lobby groups in that respect? And noting your comments beforehand about your view that we need to be informed, the Committee deserve to be informed about who is influencing campaigns and by how much? Is there a difference between those two kinds of bodies?

Dr WOODRUFF - They're obviously different for the reason that Ms Davis has identified, but they're not different from our point of view of providing the community with clarity about who is providing money to candidates standing for election. It is our strong view that everybody should disclose when they provide money to people standing for election and I recognise the concerns that have been raised by charities and I think the specifics of reporting

timeframes - noting this is just during the election period that we are talking about - this is disclosing donations during election period.

Administrative matters that are onerous could be something that is considered differently for charities, but fundamentally it is about having an even playing field for charities and there are a whole range of charities, and the RSPCA is one particular type of charity, but there are a whole range of charities who go quite close to fairly strongly influenced towards one set of political party's values than another, and they are trying to achieve policy outcomes. Some policy outcomes are held very strongly by one party and not by another party or vice versa.

It is not the case that charities are neutral, that is not their work and not what they set out to do, but charities are usually wholly vested with views about how to improve the world. That's why they do the work they do, they are trying to change the world and make it a better place. They are very concerned to have their views heard and recognised by people standing for parliament. They are coming from a different point of view as lobby groups, absolutely, but we believe that they should disclose if they pay money to people who are standing for election, just like lobby groups and everybody else.

Ms JOHNSTON - What about election spending though? Let's say the example we have been using is the Cancer Council, that they receive donations for a whole range of activities, it is just a general donation received throughout the year. Then come election time, they decide that they want to put out a scorecard on how the different parties and candidates meet their organisational goals in terms of advocating for cancer treatment, whatever it might be. They have not said how to vote. They just said this is the position of the parties as information. How do you make the link between the donation made by X person five months ago generally, to the actual expenditure that they might be spending on campaigns?

Dr WOODRUFF - It is about the money that is spent during the election period and so that is about money that is donated for that purpose.

Ms JOHNSTON - It is the dominant purpose, so if you can determine that the donations made for the dominant purpose of being spent on an election or a political campaign and that should be quarantined, how would you know that, for example, with the Cancer Council, that might just receive bequests and all sorts of things, generally for the purposes of the Cancer Council, which you would agree is not a dominant purpose for political campaigning, it is a dominant purpose for cancer awareness. How do you determine that particular donation was donated for the purpose of campaigning?

Dr WOODRUFF - Well, I would imagine that the charity would need to establish a mechanism where if they decide that they want to spend money advertising during election campaigns, that they need to put money aside for that and identify where that money comes from.

Ms JOHNSTON - Any further questions?

Mr BEHRAKIS - Yes, I have a couple back on expenditure caps. Just a couple of questions, one is off the back of Ms White's question. Hypothetically, under what's been proposed, could somebody, say, me - not that I would expect it to happen anytime soon - split off and get enough signatures to start the Simon Behrakis Party or the Behrakis Party -

Dr WOODRUFF - Foreshadowing the future.

Mr BEHRAKIS - No, I wouldn't suggest that, but if I got the requisite number of signatures to get party status and ran one candidate or two candidates, I would theoretically get be able to spend the \$83,000 on myself as a candidate, but then \$830,000 on supporting the Behrakis Party or any other party, I am just using that as an example. Is there anything stopping a party forming with one candidate and spending that full \$830,000 effectively supporting the party with one candidate?

Dr WOODRUFF - I think that sounds like an obvious attempt to pervert the meaning of the act and the meaning of what we're trying to achieve, so that's something that should be addressed. I agree that that would be a perversion of the intent.

Mr BEHRAKIS - I'm not suggesting that that's the intent, but it's something that could potentially happen.

Dr WOODRUFF - I'd be interested to hear the Committee's thoughts on the number of electorates that parties were running people in and so on.

Mr BEHRAKIS - I suppose that goes to that question about the proportionality of the party cap. If a party runs one candidate or 35 candidates, is there a difference, and should there be a difference, in the size of their expenditure cap?

Dr WOODRUFF - In order to be a party, you can't just call yourself a party, obviously. You've got to have a number of people registered to be a valid party. Is it 1000 for a Tasmanian election? I don't know if that's Commonwealth elections. I think that's for Tasmanian elections. You can't just put 'party' at the end of your name.

Mr BEHRAKIS - But there's no stipulation as to how many candidates you run?

Dr WOODRUFF - I don't believe so, no.

Mr BEHRAKIS - Because you could effectively run a one-candidate party and almost -

Dr WOODRUFF - And rort the system?

Mr BEHRAKIS - Potentially, is what I'm saying.

Dr WOODRUFF - Possibly, yes. You could think about a way of tightening that up, but that's possibly true.

Mr BEHRAKIS - Then, a second question. You mentioned the expenditure caps with Legislative Council elections, and there's also expenditure caps with local government elections. I've run in both, and the rules for the two are different. From memory, the Legislative Council includes all expenditure, whereas the local government is only advertising. Is this proposing to be any expenditure? Everything from phone bills and petrol and car - or just the actual money spent on political advertising during an election?

PUBLIC

Dr WOODRUFF - Yep, my understanding is that it's the actual money that you spent - buying corflutes, buying advertising, all of that money that's spent on your campaign, on promoting yourself. Not your daily living expenses.

Mr BEHRAKIS - Not daily living expenses. But if a candidate had to attribute a cost of driving around campaigning or your phone use and communications use and renting out, or websites. There's a lot of expenditure that goes into an election campaign that isn't necessarily advertising, but it's all the costs of running a campaign. Everyday costs. Would that be counted within that cap? A corflute is advertising-

Dr WOODRUFF - No, that would just be onerous and unreasonable level of -. That's not the intention of the amendment that we've got in the bill. The intention of the amendment is to capture paid party staff, paying people to work for you, to fundraising campaign, paying for radio ads, paying for corflutes. They're the sorts of things that are direct election expenditure.

A bit more detail, Ms White, on what you said about the election period. It is the period that the elections are called, but outside of that, leading up to an election, it's also the period where you spend money on - like what Mr Behrakis was saying - 'Vote 1 Labor on these issues', or purchasing social media advertising that would be around an election, like 'Vote 1', or 'The Greens' policy at this election will be to -' or 'Our policy position is -', those sorts of things. Our intention is that they be captured as electoral expenditure.

Ms JOHNSTON - I'm very conscious that we've run quite a lot over time. I'll just double-check to make sure we're okay online for any last-minute questions?

Thank you very much, Dr Woodruff, for your time, and apologies for keeping you a little bit longer than we intended. Thank you very much for appearing.

Dr WOODRUFF - Thank you very much, and thanks for your questions. I look forward to the report and we'll be considering it closely as we think about the next steps with our bill.

The witness withdrew.

The committee adjourned at 3.25 p.m.