

15 June 2018

Mr Andrew Hastie MP  
Chair  
Parliamentary Joint Committee on Intelligence and Security  
Parliament House  
CANBERRA ACT 2600



*everyone's family*

Dear Chair,

### **Foreign Influence Transparency Scheme Bill 2017 – further submission**

The Smith Family welcomes the invitation to provide a further submission to the Committee regarding proposed amendments to the *Foreign Influence Transparency Scheme Bill 2017* (the Bill) put forward by the Attorney-General, Mr Christian Porter MP.

In February, we provided our initial submission to the Inquiry. Our chief concern at that stage was that the breadth of the Bill would potentially entangle charities receiving overseas donations, or having a relationship with someone overseas, in an opaque regulatory regime, adding significant administrative burden whilst not serving the Bill's primary objective.

The proposed amendments to the Bill by the Attorney-General appear to ameliorate our chief concern, particularly by amending the definition of 'foreign principal'. We understand that charities will no longer be captured in the Bill's mechanisms because they receive overseas donations from a foreign business or philanthropy, or by having a relationship with someone overseas, unless that organisation or individual is related to a foreign government or political organisation. If this interpretation is accurate, these amendments will protect the fundraising capacity and the advocacy work of charities. This advocacy work is particularly crucial to the health and rigor of Australia's democracy.

The Committee may alternatively wish to consider including a general exemption for charities from the Bill's mechanisms, to provide charities with full certainty and clarity. The Bill now has exemptions for industry bodies, lawyers and businesses. There is no clear rationale for excluding charities from this exemption. This position is supported by the Community Council for Australia, the peak body for charities. As mentioned in our initial submission, charities remain effectively regulated by the Australian Charities and Not-for-Profits Commission, including the conduct of charities during election campaigns. The ACNC remains the most suitable authority to oversee the sector.

We will await with great interest the additional submissions of both the Community Council for Australia and the Law Council of Australia, as they will also examine in more detail the impact of the amendments on charities and not-for-profit organisations.

The Smith Family commends the Committee for its conduct of this Inquiry and looks forward to the opportunity to contribute to future, relevant inquiries.

Yours sincerely,

Anne Hampshire  
Head of Research and Advocacy