

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Additional Estimates Hearings 2002-2003 – 11 February 2003

Question: 41

Outcome 2, Output 2.3

Topic: Funding and Disclosure (Greenfields Foundation)

Hansard page: N/A

Written Question on Notice: 11 February 2003

Senator Faulkner asked:

(a) Noting that

- The “debt” owed by the Liberal Party to the Greenfields Foundation was \$4.35m in 99/00, \$4.25m in 00/01 and is now \$4.15m in 2001/02;
- There is no interest being charged on the “debt” owed by the Liberal Party;
- The rate of interest for loans of this kind is currently about 7%;
- In law, interest on a debt becomes part of the debt; and
- Under section 287 of the Act, the release or forfeiture of any debt is considered a “disposition of property” and thus a “gift”,

What steps is the AEC taking to ensure the Liberal Party discloses the gift of over \$300,000 it receives each year from the Greenfields Foundation in the form of interest foregone?

(b) How did the AEC satisfy itself that the money owed by the Liberal Party to the Greenfields Foundation was actually a “debt”?

(c) Noting

- Ron Walker’s comments to the ABC current affairs program AM on 18 November 2002 that “I haven’t given any personal money at all. I didn’t give very much of my personal money to the Liberal Party either.”
- On 18 November 2002, AAP reported “The millionaire businessman [Ron Walker] said he had not given any money to the Conservative campaign [in Britain] or the Liberals in Australia,” and
- That the AEC’s investigation into the Greenfields Foundation was satisfied by Ron Walker’s assurance that he had personally provided the \$4.75m to cover the Liberal Party “debt”;

Has the AEC contacted Ron Walker, the Greenfields Foundation and the Liberal Party to ensure their disclosure obligations in relation to the Greenfields Foundation/Liberal Party “debt” are being met?

On what basis was the AEC satisfied that Ron Walker had personally provided the \$4.75m to cover the Liberal Party “debt”? Did Ron Walker, the Greenfields

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Foundation or the Liberal Party provide any documentary evidence to show the “debt” actually existed? Please provide details.

Answer:

The answer provided to me by the Australian Electoral Commission is as follows;

The AEC does not discuss the details of compliance investigations, but supplies the following information:

- a) The AEC is taking no such steps. The AEC established that no loan was made by the Greenfields Foundation to the Liberal Party and so, no interest payments can be due. Therefore, there is no “gift” in interest foregone.
- b) The AEC used its investigative powers under section 316 of the *Commonwealth Electoral Act 1918* to access relevant persons, documents and information to determine that a debt existed.
- c) The AEC has recently written to Mr Ronald Walker to seek clarification of the media reports and cannot make any further comment at this time. During the investigation mentioned in (b) above, the AEC established that a debt existed and the manner in which that debt came into existence by accessing relevant persons documents and information.