

LIST OF DOCUMENTS RELEASED UNDER *FREEDOM OF INFORMATION ACT 1982* – AUSTRALIANS FOR HONEST POLITICS TRUST

DOC NO	DATE	DETAILS	DECISION
1	18/9/98	Letter AEC to T Abbott advising that, on basis of report in Courier Mail 1/9/98, trust fund may be associated entity and requesting response if considers is associated entity.	Release.
2	20/10/98	Original letter T Abbott to AEC explaining purpose for establishment of Australians for Politics Trust and providing reasons why he believes Trust not associated entity.	Release.
3	10/6/99	Letter AEC to T Abbott MP advising him that Australian for Honest Politics not associated entity.	Release.
4	01/09/1998	Courier Mail article entitled <i>Liberal MP admits role in opposing One Nation</i>	Release.
5	17/09/1998	Preliminary draft of letter to T Abbott re potential disclosure obligations	Release.
6	17/09/1998	Copy of section 315 of the Electoral Act	Release.
	18/09/1998	Letter from AEC to T Abbott MP re status of trust. Same as Document 1.	Release.
	20/10/1998	Response by T Abbott to AEC's letter of 18/09/98. Same as Document 2.	Release.
7	20/10/1998	Fax from T Abbott to AEC	Release.
		Copy of response by T Abbott to AEC's letter of 18/09/98.	Release.
		Fax cover sheet from T Abbott to AEC	Release.
8	19/03/1999	Fax cover sheet from AEC to an external person [<i>not obvious which organisation the person represents</i>] referring to a newspaper article	Release.

9	18/09/1998	Unsigned copy of letter from AEC to T Abbott re status of trust	Release.
10	03/09/1998	Newspaper article from the Australian 03/09/1998 – page 4 entitled “Hanson finally gets poll funds”	Release.
	20/10/1998	A copy of response by T Abbott to AEC’s letter of 18/09/98 Same as Document 2.	Release.
	10/06/1999	Letter from AEC to T Abbott re status of trust Same as Document 3.	Release.
11	04/11/1998	Letter from T Sharples to T Abbott referring to previous correspondence and meetings	Release.
12	11/07/1998	Hand written letter from T Abbott to T Sharples re legal costs	Release.
13	Undated	Memo deciphering hand written letter from T Abbott to T Sharples re legal costs	Release.
14	03/05/2001	Letter from AEC to T Abbott re status of trust	Release.
15	21/05/2001	A letter from T Abbott to the AEC – trust was wound up in July 2000	Release.
16	27/08/2003	Email to AEC forwarding copy of email from DEWR to AEC on behalf of Special Minister of State, requesting a copy of AEC’s letter to T Abbott dated 20/10/1998.	Release.
17	27/08/2003	Letter from T Abbott’s office (signed by Chief of Staff) seeking copy of AEC’s letter to T Abbott dated 20/10/1998.	Release.
18	30/05/2003	AEC response to question asked by J Faulkner at Senate Estimates Hearing This document appears to be an attachment to the brief in Ministerial Brief attaching AEC letter to T Abbott dated 10 June 1999. <i>[this document incorrectly refers to page F&PA 398 this should be F&PA549]</i>	Release.

19	28/08/2003	Ministerial Brief attaching AEC letter to T Abbott dated 10 June 1999	Release.
20	26/08/2003	Letter from J Faulkner to Electoral Commissioner regarding questions raised at Senate Estimates Committee	Release.
21	28/08/2003	Letter from Electoral Commissioner to J Faulkner.	Release.
22	26/08/2003	Original of earlier faxed letter from J Faulkner to Electoral Commissioner	Release.
	27/06/2002		
23		Returns for Glaxo Smith Kline from AEC website	Release.
24		dictionary definition of 'benefit'	Release.
25		Courier Mail article page 2 on 24/04/2002 entitled 'MP Abbott dobbed in Hanson, court told'	Release.
26		<i>The Age</i> article page 9 on 24/04/2002 entitled 'Detective denies political push'	Release.
27		<i>Canberra Times</i> article page 9 on 24/04/2002 entitled 'No pressure to probe Hanson'	Release.
28		<i>Townsville Bulletin</i> article page 14 entitled 'No interference – Detective denies political pressure'	Release.
29		<i>Queensland Times</i> (Ipswich) article page 7 entitled 'Abbott tips off Hanson check-up'	Release.
30		<i>Cairns Post</i> article page 11 entitled 'No pressure for probe'	Release.
31		Hansard - Senate Finance and Public Administration Committee - 30/5/02 pages 397 and 398	Release.
32	Undated	Copy of newspaper article by M Secombe (which paper and page not annotated) entitled 'Abbott set up slush fund to ruin Hanson'	Release.

33	26/08/2003	Internal email regarding media enquiry in relation to Senate Estimates Questions	Release. Personal information deleted for privacy reasons.
34	26/08/2003	Internal email regarding media enquiry	Release. Personal information deleted for privacy reasons.
35	26/08/2003	Internal email regarding possible Ministerial Brief	Release. Personal information deleted for privacy reasons.
36	26/08/2003	Internal email regarding media enquiry	Release.
37	26/08/2003	Internal email regarding media enquiry	Release. Personal information deleted for privacy reasons.
38	26/08/2003	Internal email regarding media enquiry	Release. Personal information deleted for privacy reasons.
39	26/08/2003	Copy internal email regarding media enquiry	Release. Personal information deleted for privacy reasons.

40	26/8/2003	Internal email to AEC Executive from Assistant Commissioner Information Branch re media inquiry re role of T Abbott MP in Hanson case	Release. Personal information deleted for privacy reasons.
41	26/08/2003	Email R Prestt, DOFA to AEC asking if AEC responded to letter from T Abbott 20/10/98. Internal email regarding AEC response to the letter from T Abbott dated 20/10/1998	Release. Personal information deleted for privacy reasons.
42	26/08/2003	Email Dir PAMS to Exec/CO et al re AEC's letter to T Abbott 10/6/99 and issue of whether Australian for Honest Politics Trust might be associated entity. Email Assistant Commissioner Information Branch to AEC Exec et al re media inquiry.	Release. Personal information deleted for privacy reasons.
43	27/08/2003	Internal email to AEC Executive from Assistant Commissioner Information Branch re media interview	Release.
44	01/09/2003	Internal email attaching media alert from Media Monitors	Release.
45	03/09/2003	Copy of article by M Kingston – attachment to letter from J Faulkner replying to the Electoral Commissioner's letter of 26/8/03.	Release.
46	04/09/2003	Letter from J Faulkner replying to the Electoral Commissioner's letter of 26/8/03.	Release.
47	3/9/03	Facsimile member of public to T Morling explaining why she believes Australians for Honest Politics Trust to be a related entity of Liberal Party.	Release.
48	27/8/03	Internal email to AEC Exec re media inquiries.	Release. Personal information deleted for privacy reasons.

49	15/9/03	Letter AEC to member of public providing information in response to three questions relating to associated entities.	Release.
50	1/9/03	Email A/C Info and Research to Exec/CO et al re call from M Kingston, SMH re Australians for Honest Politics issues including Trust Deed, legal advice and basis of 1999 decision.	Release.
51	2/9/03	Email Info to Exec et al re letter submitted to Editor of SMH about Seccombe (30-31/8) and Kingston (1/9) articles – In 1998, AEC determined Australians for Honest Politics Trust not associated entity.	Release.
52	8/9/03	Email Dir PAMS to Exec/CO et al re call from M Kingston - several issues about T Abbott's Australians for Honest Politics Trust.	Release.
53	8/9/03	Email A/C Info and Research to Executive/CO et al re discussions with M Kingston, SMH – summary from notes of exchange.	Release. Text not relevant to FOI request deleted.
54	9/9/02	Email A/C Info and Research to Executive/CO et al re discussions with M Kingston, SMH – summary from notes of exchange with additional note.	Release. Text not relevant to FOI request deleted.
55	9/9/03	Email A/C Info and Research to Exec/CO et al re further talk with M Kingston re when AEC first wrote to T Abbott – 18/9/98 following Courier Mail article on 1/9/98.	Release.
56	27/8/03	Letter T Abbott to EC requesting copy of letter AEC to T Abbott (10/6/99) re disclosure requirements of Australians for Honest Politics Trust.	Release.
57	27/8/03	Facsimiles AEC to SMOS and T Abbott attaching requested copy of letter AEC to T Abbott dated 10/6/99.	Release.

58	27/8/03	Email A Sachs (J Faulkner) to A/g EC offering comments about establishment of Australians for Honest Politics Trust.	Release.
59	18/09/2003	Letter from Electoral Commissioner to A Murray responding to letter of 5/9/2003 regarding Australians for Honest Politics Trust and other matters. EC advises the Senator that Trust is being reconsidered by the AEC.	Release. Text not relevant to subject matter of FOI request deleted.
60	19/9/2003	Letter to Chairman, EC from member of public (including as attachment election statistics from the AEC website) quoting media articles and seeking the legal criteria the AEC used that the Australians for Honest Politics Trust was not an associated entity.	Release. Personal information deleted for privacy reasons.
61	19/9/2003	Fax cover sheet to Chairman, EC from member of public forwarding documents referred to above.	Release. Personal information deleted for privacy reasons.
62	24/9/2003	Letter to member of public from AEC responding to member of public's letter to the Chairman EC of 19/9/2003 advising that the provisions of the Electoral Act are the legal criteria that AEC used in reaching its conclusion that the Australians for Honest Politics Trust was not an associated entity.	Release. Personal information deleted for privacy reasons.
63	8/10/2003	SMOS Estimates Brief – Hot Issues to Senate Finance and Public Administration Committee – February 2003 outlining background to issues relating to the Australians for Honest Politics Trust and whether disclosure obligations exist.	Release. Text not relevant to subject matter of FOI request deleted.

64	19/11/2003	Question Time Brief on the Australians for Honest Politics Trust including status of Trust.	Release. Text not relevant to subject matter of FOI request deleted.
65	6/11/2003	<p>Letter from P Dacey (Deputy Electoral Commissioner AEC) to B Mason the Chairman of the Senate Standing Committee on Finance and Public Administration regarding questions taken on notice by the AEC at the Estimates Hearing on 4 November 2003.</p> <p>Attachments (disclosure returns and letters AEC sent to T Abbott in September 1998 and June 1999) not on file.</p> <p>Please refer to AEC's website www.aec.gov.au for disclosure returns.</p> <p>Copy of letters AEC sent to T Abbott in September 1998 and June 1999 are first and third documents listed.</p>	Release.



Please quote 98/00788
Contact Officer Chris Morris / Roger Wills
Telephone (02) 6271 4509 / (02) 6271 4430

West Block Offices
Parkes ACT 2600
PO Box E201
Kingston ACT 2604
Telephone (02) 6271 4411
Facsimile (02) 6271 4556

The Hon. Tony Abbott MP
4-10 Sydney Road
Manly NSW 2095

Dear Mr. Abbott

ANNUAL RETURN FOR AN ASSOCIATED ENTITY

An associated entity is a term interpreted by the *Commonwealth Electoral Act 1918* (the Act) and used by the Australian Electoral Commission (the AEC) for an organisation which is controlled wholly or mainly for the benefit of one or more political parties. This includes organisations which are independent of, but primarily benefit, a party or parties.

A recent newspaper article (Courier Mail, 1 September 1998) reports that you have set up a trust fund with Messrs J. Wheeldon and P. Coleman. On the basis of the press report, the fund may be an associated entity. If this is the case, you are required under the *Commonwealth Electoral Act 1918* (the Act) to lodge an associated entity return. The Act provides penalties for failure to meet your disclosure obligations.

Please find enclosed a copy of the Funding and Disclosure Handbook for Associated Entities and an annual return form. The deadline for lodgment of an associated entity annual return is close of business 20 October 1998. If after having read the handbook you consider that the trust fund does not fall within the ambit of an associated entity, please provide a written response outlining your reasons for arriving at this decision.

If you require further information regarding your disclosure responsibilities, please do not hesitate to contact an officer of the Funding and Disclosure Section on one of the numbers provided above.

Yours sincerely

Roger Wills
Funding and Disclosure

18/09/98



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

SUITE 11
PACIFIC POINT
4-10 SYDNEY ROAD
MANLY, N.S.W. 2095
TEL. (02) 9977 6411
FAX. (02) 9977 8715

TONY ABBOTT, M.P.
FEDERAL MEMBER FOR WARRINGAH
PARLIAMENTARY SECRETARY TO THE MINISTER FOR
EMPLOYMENT, EDUCATION, TRAINING AND YOUTH AFFAIRS

*Faxed 7.00 pm
20/10/98.
TA.*

October 20, 1998

Roger Wills
Australian Electoral Commission
PO Box E201
Kingston ACT 2604

Dear Mr Wills,


The Australians for Honest Politics Trust was established on August 24 1998, and, therefore, cannot fall within any disclosure requirements for the 1997-98 year. In any event, I very strongly submit that the Trust is not an "associated entity" under the Act.

The object of the Trust is to support legal actions to test the extent to which political entities comply with Australian law. I have two fellow trustees: John Wheeldon, a former Labor Minister, and Peter Coleman, a former NSW Liberal leader. Neither, as far as I know, are currently members of a political party and neither would do the bidding of a political party.

So far, the Trust has raised nearly \$100,000 - almost all of which is committed to supporting the action brought by Mrs Barbara Hazelton in the Queensland Supreme Court to test the validity of the Queensland registration of One Nation. Given the unusual structure of the One Nation entity, there is an important public interest in this action - which may not have been brought but for the Trust. I very much doubt whether the framers of the Electoral Act would have wished to discourage those seeking to test and strengthen the electoral law.

The Trust is not controlled by and does not operate for the benefit of any registered political party. The Trust does not raise money for a political party nor hold assets for the benefit of a political party nor take any part in election campaigns. If the Trust - which is not linked with a political party and is not involved in election campaigns - is required to file an "associated entity" return, other organisations such as trade union and party-allied think tanks would also need to file returns. In my judgment, this would amount to a change of policy in the guise of administration.

Before seeking donations to the trust I spoke with one of Australia's leading electoral lawyers who assured me that the Trust would not be covered by disclosure provisions. If, despite this letter and the attached Trust document, you still believe otherwise, I would appreciate your urgent advice.

Yours sincerely,

Tony Abbott



Pease quote 98/01289 Fad514

Contact Officer Brad Edgman

Telephone (02) 6271 4413

West Block Offices
Parkes ACT 2600

PO Box E201
Kingston ACT 2604

Telephone (02) 6271 4411
Facsimile (02) 6271 4556

The Hon. Tony Abbott, MP.
Suite 11
Pacific Point
4-10 Sydney Road
Manly NSW 2095

Dear Mr Abbott,

Thank you for your letter of 20 October 1998, responding to our inquiry as to whether the trust "Australians for Honest Politics" may fall within the ambit of an associated entity. I apologise if you have not received a response earlier.

On the basis of the information provided, I am of the opinion that the trust does not constitute an associated entity at this time and accordingly is not required to lodge a disclosure return.

I take this opportunity to note that if the activities of the Trust alter, then it may constitute an associated entity. This is a term interpreted by the *Commonwealth Electoral Act 1918* and used by the Australian Electoral Commission for an organisation that is controlled by, or operates wholly or mainly for the benefit of, one or more political parties.

If I can be of any further assistance, please telephone me on 02 6271 4413.

Yours sincerely,

Brad Edgman
Director
Funding and Disclosure

10/06/99

Liberal MP admits role in opposing One Nation

By SEAN PARNELL
and MARK OBERHARDT

Donor form.

FEDERAL Liberal MP Tony Abbott last night admitted having actively raised funds to support two separate legal attempts to shut down the One Nation party.

Late yesterday, Brisbane Supreme Court Justice Brian Ambrose rejected an application by failed One Nation candidate Terry Sharples for an injunction stopping the payment of \$500,000 in electoral funds to One Nation.

Mr Sharples had claimed One Nation was not properly registered under the Electoral Act, but Justice Ambrose said it was strongly arguable that Mr Sharples's action was ill-conceived.

Within 30 minutes of the rejection of the application, One Nation was back in court, fighting another injunction application by Pauline Hanson's former personal secretary Barbara Hazelton, who has sought a judicial review of the party registration.

The funds will not be released until Justice Richard Chesterman, who has adjourned Ms Sharples's case until tomorrow, decides on the injunction.

Mr Abbott, former federal Labor minister John Wheelodon and former NSW Liberal Party head Peter Coleman last week set up a trust to fund Ms Hazelton's action.

Trust Fund

Mr Abbott also has promised to help Mr Sharples find the funds to pay for his court action. When asked where the money to help Mr Sharples would come from, Mr Abbott said "that's my business and my business alone", but indicated it may come from the trust.

Mr Abbott said he personally paid the \$200 stamp duty on the trust but there had

been no further personal contributions from the trustees, nor any donations from political parties or individual politicians.

He would not identify the people who had funded the trust, but said their donations had been "substantial".

"I think I have a duty as a member of parliament and as a citizen to do everything I really can to stop One Nation," he said. "If that means raising money to help people in court cases designed to tests the legality of One Nation's registration then so be it."

Mr Abbott said the trust had not met with total approval among his Liberal Party colleagues, some of whom told him to "pull my head in".

Ms Hazelton had earlier appeared before Justice Margaret White, who adjourned her case until Friday when a costs hearing is set down for Mr Sharples's action.

Mr Sharples had taken a writ against the Electoral Commissioner, Des O'Shea, and One Nation to stop the party getting \$1.13 for each of the 438,000 votes it received in the last state election.

Mr Sharples and Ms Hazelton both said the Liberal Party was not funding their separate actions.

Outside the court, One Nation state director Peter James accused the Liberal Party of a "political ambush" with Ms Hazelton's action.

Ms Hazelton said outside court she was taking her action because she believed One Nation was not a properly registered party. She said she wanted to see the \$500,000 go to the party's candidates and not One Nation the party.

Mr Sharples said he was angry that his court action had been hijacked by others but vowed to appeal the decision.



Please quote 98/00788

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PO Box E201
 Kingston ACT 2604

Telephone (02) 6271 4411
 Facsimile (02) 6271 4556

The Hon

Mr. Tony Abbott MP
 4-10 Sydney Road
 Manly NSW 2095

Dear Mr. Abbott

on the basis of the form report, this fund

ANNUAL RETURN FOR AN ASSOCIATED ENTITY

An associated entity is a term interpreted by the *Commonwealth Electoral Act 1918* (the Act) and used by the Australian Electoral Commission (the AEC) for an organisation which is controlled wholly or mainly for the benefit of one or more political parties. This includes organisations which are independent of, but primarily benefit, a party or parties.

It has come to the attention of the AEC that a trust fund that you have set up with Messrs J. Wheeldon and P. Coleman, may be an associated entity. If this is the case, you are required under the *Commonwealth Electoral Act 1918* (the Act) to lodge an associated entity return. The Act provides penalties for failure to meet your disclosure obligations.

Please find enclosed a copy of the Funding and Disclosure Handbook for Associated Entities and an annual return form. The deadline for lodgment of an associated entity annual return is close of business 20 October 1998. If after having read the handbook you consider that the trust fund does not fall within the ambit of an associated entity, please provide a written response outlining your reasons for arriving at this decision.

If you require further information regarding your disclosure responsibilities, please do not hesitate to contact an officer of the Funding and Disclosure Section on one of the numbers provided above.

Yours sincerely

Roger Wills
 Funding and Disclosure

17/09/98

newspaper article

a receipt [unclear] (Courier Mail 1 September) [unclear] reports that you have set up



315 Offences

(1) Where a person fails to furnish a return that the person is required to furnish under Division 4, 5 or 5A within the time required by this Part, the person is guilty of an offence punishable, upon conviction, by a fine not exceeding:

(a) in the case of a return required to be furnished by the agent of a political party or of a State branch of a political party-\$5,000; or

(b) in any other case-\$1,000.

(2) Where a person:

(a) furnishes a return that is incomplete, being a return that the person is required to furnish under Division 4, 5 or 5A; or

(b) fails to retain records in accordance with section 317;

the person is guilty of an offence punishable, upon conviction, by a fine not exceeding \$1,000.

(3) Where the agent of a political party or of a State branch of a political party lodges a claim under Division 3, or furnishes a return that the agent is required to furnish under Division 4, 5 or 5A, that contains particulars that are, to the knowledge of the agent, false or misleading in a material particular, the agent is guilty of an offence punishable, upon conviction, by a fine not exceeding \$10,000.

(4) Where a person (not being the agent of a political party or of a State branch of a political party) lodges a claim under Division 3, or furnishes a return that the person is required to furnish under Division 4 or 5, that contains particulars that are, to the knowledge of the person, false or misleading in a material particular, the person is guilty of an offence punishable, upon conviction, by a fine not exceeding \$5,000.

(5) Where a person is convicted of an offence against subsection (3) or (4), the court may, in addition to imposing a penalty under that subsection, order the person to refund to the Commonwealth the amount of any payment wrongfully obtained by the person under Division 3.

(6) Where a court has made an order under subsection (5), a certificate signed by the appropriate officer of the court specifying the amount ordered to be refunded and the person by whom the amount is payable may be filed in a court having civil jurisdiction to the extent of that amount and is thereupon enforceable in all respects as a final judgment of that court.

(6A) A person shall not give to another person, for the purpose of the making by that other person of a claim under Division 3, information that is, to the knowledge of the first-mentioned person, false or misleading in a material particular.

Penalty: \$1,000.

(7) A person shall not furnish to another person who is required to furnish a return under Division 4, 5 or 5A information that relates to the return and that is, to the knowledge of the first-mentioned person, false or misleading in a material particular.

Penalty: \$1,000.

(8) Where:

(a) a person is required to furnish a return under Division 4, 5 or 5A within a particular period; and

(b) the person fails to furnish the return within that period;

the following provisions of this subsection have effect:

(c) the obligation to furnish the return continues notwithstanding that that period has expired;

(d) where the person is convicted of an offence that is constituted by failure to furnish the return within that period, that person is guilty of a separate and further offence in respect of each day after the day of the conviction during which the failure to furnish the return continues; and

(e) the penalty applicable to each separate and further offence is a fine not exceeding \$100.

(9) Charges against the same person for any number of offences under paragraph (8)(d) may be joined in the same information or complaint.

(10) If a person is convicted of more than one offence under paragraph (8)(d), the court may impose one penalty in respect of all offences of which the person is so convicted but that penalty shall not exceed the sum of the maximum penalties that could be imposed if a penalty were imposed in respect of each offence separately.

(11) A prosecution in respect of an offence against a provision of this section (being an offence committed on or after the commencement of this subsection) may be started at any time within 3 years after the offence was committed.

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Show the Clause Number:

Get the Clause

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FAX TRANSMISSION

FROM THE PARLIAMENT HOUSE OFFICE OF

TONY ABBOTT MP

Member for Warringah

Parliamentary Secretary for Employment, Education,
Training & Youth Affairs

FAX :06 277 8465
PHONE :06 277 4337

DATE

TO

John Will

FROM

FAX NUMBER

6271 9556

PAGES FOLLOWING

7

INSTRUCTIONS

(19)

PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVESSUITE 11
PACIFIC POINT
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MANLY, N.S.W. 2095
TEL. (02) 9977 6411
FAX. (02) 9977 6715TONY ABBOTT, M.P.
FEDERAL MEMBER FOR WARRINGAHPARLIAMENTARY SECRETARY TO THE MINISTER FOR
EMPLOYMENT, EDUCATION, TRAINING AND YOUTH AFFAIRS

October 20, 1998

Roger Wills
Australian Electoral Commission
PO Box E201
Kingston ACT 2604

Dear Mr Wills,

The Australians for Honest Politics Trust was established on August 24 1998, and, therefore, cannot fall within any disclosure requirements for the 1997-98 year. In any event, I very strongly submit that the Trust is not an "associated entity" under the Act.

The object of the Trust is to support legal actions to test the extent to which political entities comply with Australian law. I have two fellow trustees: John Whocaldon, a former Labor Minister, and Peter Coloman, a former NSW Liberal leader. Neither, as far as I know, are currently members of a political party and neither would do the bidding of a political party.

So far, the Trust has raised nearly \$100,000 - almost all of which is committed to supporting the action brought by Mrs Barbara Hazelton in the Queensland Supreme Court to test the validity of the Queensland registration of One Nation. Given the unusual structure of the One Nation entity, there is an important public interest in this action - which may not have been brought but for the Trust. I very much doubt whether the framers of the Electoral Act would have wished to discourage those seeking to test and strengthen the electoral law.

The Trust is not controlled by and does not operate for the benefit of any registered political party. The Trust does not raise money for a political party nor hold assets for the benefit of a political party nor take any part in election campaigns. If the Trust - which is not linked with a political party and is not involved in election campaigns - is required to file an "associated entity" return, other organisations such as trade union and party-allied think tanks would also need to file returns. In my judgment, this would amount to a change of policy in the guise of administration.

Before seeking donations to the trust I spoke with one of Australia's leading electoral lawyers who assured me that the Trust would not be covered by disclosure provisions. If, despite this letter and the attached Trust document, you still believe otherwise, I would appreciate your urgent advice.

Yours sincerely,

Tony Abbott



(2) 00/244

FAX Message

West Block Offices
Parkes ACT 2600
PO Box E201
Kingston ACT 2604
Telephone (02) 6271 4411
Facsimile (02) 6271 4556

Message to:

Phone:

Fax:

Message from:

Roger Wills
Compliance Investigator
Funding & Disclosure
AEC

Phone 02-6271 4430

:

Fax: 02-6271 4555

Date sent: 19/03/99

Our
reference:

Priority:

No. of pages: 1

Message:

Press Article Regarding Trust Fund Established By Mr Abbott

Further to our telephone conversation this morning with the press article regarding the trust fund established by Messrs T. Abbott, J. Wheeldon and P. Coleman appeared in the Courier Mail on 1 September 1998 and the Australian on 3 September 1998.

A copy of the later is following as requested.

Have a good weekend.

Roger

19 March 1999



Please quote 98/00788
Contact Officer Chris Morris / Roger Wills
Telephone (02) 6271 4509 / (02) 6271 4430

West Block Offices
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Kingston ACT 2604
Telephone (02) 6271 4411
Facsimile (02) 6271 4556

The Hon. Tony Abbott MP
4-10 Sydney Road
Manly NSW 2095

Dear Mr. Abbott

ANNUAL RETURN FOR AN ASSOCIATED ENTITY

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A recent newspaper article (Courier Mail, 1 September 1998) reports that you have set up a trust fund with Messrs J. Wheeldon and P. Coleman. On the basis of the press report, the fund may be an associated entity. If this is the case, you are required under the *Commonwealth Electoral Act 1918* (the Act) to lodge an associated entity return. The Act provides penalties for failure to meet your disclosure obligations.

Please find enclosed a copy of the Funding and Disclosure Handbook for Associated Entities and an annual return form. The deadline for lodgment of an associated entity annual return is close of business 20 October 1998. If after having read the handbook you consider that the trust fund does not fall within the ambit of an associated entity, please provide a written response outlining your reasons for arriving at this decision.

If you require further information regarding your disclosure responsibilities, please do not hesitate to contact an officer of the Funding and Disclosure Section on one of the numbers provided above.

Yours sincerely

Roger Wills
Funding and Disclosure

18/09/98

"from Pole to Pole, and from poll to poll"

Thursday 3rd Sept



AUSTRALIAN

Thursday, 3rd September, 1998

Page: 4

Hanson finally gets poll funds

CHRISTOPHER NIESCHE

ONE Nation gained a boost yesterday when it received a \$500,000 cheque after a Queensland Supreme Court judge refused to withhold its electoral funding any longer.

While refusing to extend a two-month freeze on the money, Justice Richard Chesterman said One Nation may have a case to answer: that it had fraudulently registered with the Queensland Electoral Commission as a political party.

Party leader Pauline Hanson's former secretary Barbara Hazelton has asked the court to deregister One Nation, alleging the party submitted the names of 530 members of the Pauline Hanson Support Movement, rather than the political party, to the commission.

A similar attempt by former One Nation candidate Terry Sharples and former party treasurer Ted Briggs (who joined the action yesterday) is proceeding concurrently in the Supreme Court.

Justice Chesterman ruled Ms Hazelton would not be inconvenienced if the money was paid to One Nation, but candidates who were out of pocket from standing in the Queensland election would.

He said the Electoral Commission could sue Ms Hanson and party officer Peter James for the return of the money if the court found One Nation was not entitled to it.

When asked yesterday whether the money would go to

the candidates or One Nation, Ms Hanson replied: "We had an agreement right from the very beginning with our candidates and I stand by that."

Mr James said "the majority" of the money would go to State election candidates, while the rest would be used to cover campaign headquarters costs. "None of the money will be used in the federal campaign," he said.

However, Mr James, who told the court in an affidavit that some of the candidates had suffered financially from the delay in payment, refused to say when they would receive their money.

Ms Hazelton, whose legal action was funded by a trust established by Liberal MP Tony Abbott, was doubtful that the money would be repaid.

It is understood Australians for Honest Politics — the trust established by Mr Abbott with former MPs Peter Coleman and John Wheeldon — has about \$100,000, with donations of up to \$20,000 received from individual citizens.

Mr Abbott said yesterday he was disappointed One Nation had received the money, but was "pleased that Justice Chesterman has concluded that there's an arguable case" against One Nation.

"One Nation would be foolish to spend the \$500,000, because it may soon have to pay back the money."

Ms Hazelton's application to deregister One Nation returns to court tomorrow.

TERRY SHARPLES

4th November 1998

Mr Tony Abbott

Dear Mr Abbott,

There are many aspects to my story on One Nation, but time and space dictate brevity.

You might recall, that starting line of my facsimile to you on the 25th June 1998, after you telephoned my home several times asking for my help. You might also recall your subsequent telephone call to me later that night to congratulate me on my courage and willingness to act.

You might recall, our meeting at _____ with _____ and _____ on 7th July 1998, where you undertook to bank \$20,000.00 into an account to cover the legal expenses my Supreme Court challenge.

You might recall our breakfast meeting at the Sheraton Hotel 13th July 1998, when I asked you sign and have witnessed under seal your Deed of "Guarantee" dated July 11th 1998.

Attached is a list of moneys I have expended on the case and your personal cheque by return mail is requested in satisfaction thereof.

The attached list is only my first claim pursuant to the "Guarantee". I enclose a letter received from Watkins Stokes Templeton and further claims will follow as soon as I am able to do so.

For the record, it no good calling people mate this and mate that - and then leave them for dead.

Yours sincerely

T. Sharples

COPY

Exh 41
001

32 Lady Dordun A
Fountain 2037.
July 11, 1998

T. Tony Shaffer

Dear Tony,

Congratulate on your decision to
challenge the Nation's registration. I appreciate
the courage it took.

As you know, they are also taking a
risk and putting themselves "on the line" to try
to nullify the Crawford/Holby judgement.

You have my personal guarantee that you
will not be further out of pocket ~~for~~ as a result of
this action.

SIGNED SEALED & DELIVERED
as a Deed by TONY ABBOTT M.P.
Federal Member for Warringa

Close

Action means Supreme
Court Writ 6318/1998

.....
Tony Abbott

.....
Tony Abbott

.....
Witness

.....
Witness

Text of Tony Abbotts letter to Terry Sharples:
Abbott's writing is so bad it needs to be deciphered.

32 Lady Davidson Ctc.
Forestville 2037.
July 11th 1998.

To : Terry Sharples.

Dear Terry,

Congratulations on your decision to challenge One Nation's registration. I appreciate the courage it took.

As you know, there are others taking a risk and putting themselves on the line to try to stop the Oldfield/Etridge juggernaut.

You have my personal guarantee that you will not be further out of pocket as a result of this action.

Signed by Tony Abbott.
And witnessed by

This letter was discovered by our lawyers when all documents were discovered for the recent Brisbane court case against Sharples.

The above letter clearly makes a liar out of Tony Abbott who emphatically told viewers of the ABC 4 Corners programme that he had not entered into any arrangement to provide support for Sharples. Note that the date of this letter is two days before the Queensland State election. The second letter from Sharples to Abbott dated November 4th, 1998 suggests that Sharples was getting irritated with Abbott.



Reference: 2000/00244-Fad1492

Contact Officer: Teena-Maree Hannett
Telephone: (02) 6271 4491
Facsimile: (02) 6271 4555

West Block Offices
Parkes ACT 2600

PO Box E201
Kingston ACT 2604

Telephone (02) 6271 4411
Facsimile (02) 6271 4556
www.aec.gov.au
ABN 21 133 285 851

Mr Tony Abbott, MP
Federal Member for Warringah
Suite 11, Pacific Point
4-10 Sydney Road
MANLY NSW 2095

Dear Mr Abbott

I refer to previous correspondence regarding the Australians for Honest Politics Trust established in August 1998.

As you know, the Australian Electoral Commission (AEC) has been investigating whether the trust is an associated entity under the provisions of the *Commonwealth Electoral Act 1918*.

The AEC accepts your advice that the trust is not controlled by or operating on behalf of any registered political party. However please note that it may be necessary for the AEC to contact you for clarification on this matter if additional queries are raised in the future which necessitate further investigation.

Thank you for the assistance you have provided in this matter.

Should you have any further questions please contact me on (02) 6271 4491 or email: teena-maree.hannett@aec.gov.au.

Yours sincerely

Teena-Maree Hannett
Assistant Director
Funding and Disclosure

3 May 2001



Tony Abbott MHR

Federal Member for Warringah
Minister for Employment, Workplace Relations and Small Business

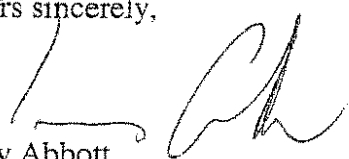
21 May 2001

Ms T Hannet
Funding and Disclosure Branch
Australian Electoral Commission
PO Box E201
KINGSTON ACT 2604

Dear Ms Hannet,

Thank you for your recent letter about the Australians for Honest Politics Trust. I can advise you that the trust was wound up in July last year. All money in the trust account has been dispersed and the trust has no further function.

~~Yours sincerely,~~


Tony Abbott



"Prestt, Renee" <Renee.Prestt@finance.gov.au> on 27/08/2003 11:18:19 AM

To: <nicole.lawley@aec.gov.au>
cc:

Subject: FW: request for letter

-----Original Message-----

From: CRANSTON, Murray [mailto:Murray.CRANSTON@dewr.gov.au]
Sent: Wednesday, 27 August 2003 9:40 AM
To: karen.holas@aec.gov.au
Cc: Prestt, Renee
Subject: re: request for letter

Karen

Renee n Senator Abetz's office has asked me to email you a request for a letter that Tony Abbott sent to Mr Roger Wills from the AEC on October 20, 1998 and the AEC's reply.

I know you are currently going through your archives at the moment, but do you mind calling me on 6277 7320 as soon as you have located this correspondence so that I can arrange for you to fax it over to us. Thanks very much.

Murray Cranston

Finance Australian Business Number (ABN):	61 970 632 495
Finance Web Site:	www.finance.gov.au

IMPORTANT:

This transmission is intended only for the use of the addressee and may contain confidential or legally privileged information. If you are not the intended recipient, you are notified that any use or dissemination of this communication is strictly prohibited. If you have received this transmission in error, please notify us immediately by telephone on 61-2-6215-2222 and delete all copies of this transmission together with any attachments.



THE HON TONY ABBOTT MP

MINISTER FOR EMPLOYMENT AND WORKPLACE RELATIONS
Leader of the House of Representatives
Minister Assisting the Prime Minister for the Public Service

PARLIAMENT HOUSE
CANBERRA ACT 2600

27 August 2003

Mr Andy Becker
Electoral Commissioner
West Block Offices
PARKES ACT 2600

*Maxine Wells is Minister's
chief of staff and has
signed this letter with
his authority.*

*Maxine Wells
DFAD
27-8-2003*

Facsimile No. 6271 4554

Dear Mr Becker,

I am writing to request a copy of the Australian Electoral Commission's response to a letter I wrote to a Mr Roger Wills on October 20, 1998. The letter was in relation to the disclosure requirements of the Australians for Honest Politics Trust.

I would appreciate a response to this request urgently and can be contacted on 02 6277 7320 should there be any difficulties.

Yours sincerely,

Maxine C Wells

for TONY ABBOTT

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Budget Estimates 2002-2003 – 29 & 30 May 2002

Question: F70

Outcome 2, Output 2.3

Topic: 305B(2) of the *Commonwealth Electoral Act 1918*

Hansard Page: F&PA 398

Senator Faulkner asked:

But I would have thought the provisions of the act here were clear. Anyway, I will be interested in your response, and no doubt we will have an opportunity to look at that at a later stage. Would you care to take that issue in the broad on notice and come back to the committee?

Answer:

As Senator Faulkner indicated at the Committee hearing, this is a matter on which the AEC would like to give a considered response. In considering the issue so far, the AEC feels that it would be worthwhile seeking formal legal advice on the matter. The AEC is, therefore, not in a position to respond to this question at this time but will do so as soon as possible.


AUSTRALIAN ELECTORAL COMMISSION

Minute

MINISTER

MEDIA REPORTS RELATING TO 'AUSTRALIANS FOR HONEST POLITICS', THE HON MR TONY ABBOTT AND POSSIBLE DISCLOSURE OBLIGATIONS

Attached is a brief relating to "Media reports relating to 'Australians for Honest Politics', The Hon Mr Tony Abbott and possible disclosure obligations" as requested.


Paul Dacey
Acting Electoral Commissioner

28 August 2003

MINISTERIAL BRIEFING

SPECIAL MINISTER OF STATE

28 August 2003

Subject	Purpose	Urgency
Media reports relating to 'Australians for Honest Politics', The Hon Mr Tony Abbott and possible disclosure obligations	For information	Urgent

Recommendation:

that you note the contents of this Brief.

Key Points:

- There has recently been a range of media articles focussing on the trust fund "Australians for Honest Politics" established to fund legal actions against Pauline Hanson's One Nation party. One of the trustees of the fund, The Hon Mr Tony Abbott has been at the centre of much of the media publicity.
- The media publicity has raised a number of questions including whether there may be disclosure obligations by Mr Abbott, the Trust and/or donors to the Trust.
- The AEC has been requested by your office and Mr Abbott's office to supply copies of the correspondence between Mr Abbott and the AEC in relation to the issue of whether the 'Australians for Honest Politics' constitutes an associated entity.
- On 27 August 2003, the AEC faxed a copy of its letter of 10 June 1999 to Mr Abbott to your office. Refer Attachment A

Background:

On 27 August 2003 your adviser, Ms Renee Prestt requested a brief on this matter.

A brief chronology of events follows:

On Tuesday 1 September 1998, an article in the Brisbane *Courier Mail* stated "Federal Liberal MP Tony Abbott had admitted having actively raised funds to support two separate legal attempts to shut down the One Nation party. The article also stated that a trust had been set up to accept donations for this purpose.

As a result of this article, the AEC wrote to The Hon Mr Tony Abbott on 18 September 1998 advising him that the trust may fall within the scope of the associated entity

provisions of the *Commonwealth Electoral Act 1918* (CEA) and that relevant disclosure requirements may apply. Further, that if he considered that the trust was not an associated entity that he should provide a written response outlining the reasons for his point of view.

On 20 October 1998, Mr Abbott responded to the AEC providing information about the trust and stating that he did not consider that the trust was an associated entity and that it should not be covered by the disclosure provisions of the CEA.

On 10 June 1999, the AEC responded to Mr Abbott advising him that "on the basis of the information provided the trust did not constitute an associated entity at this time and accordingly is not required to lodge a disclosure return." A further letter to this effect was also sent to Mr Abbott on 3 May 2001.

In a Senate Estimates hearing on 30 May 2002, Senator Faulkner raised the question as to whether The Hon. Tony Abbott MP's assistance to Mr Terry Sharples and others in their case against Pauline Hanson's One Nation amounted to a *gift* under the terms of the CEA.

On 8 July 2002, the AEC provided an interim response to this question stating it was not in a position to respond as it was seeking legal advice. The AEC has not yet provided a final reply to the Question on Notice asked by Senator Faulkner as its enquiries to date had been inconclusive.

The AEC is considering a range of recent additional material and information from a number of sources which will require further consideration of whether the trust 'Australians for Honest Politics' constitutes an associated entity under the CEA provisions and also, whether there are any other disclosure responsibilities for other persons or organisations.

Under section 305B of the CEA (Donations to political parties) if a person makes gifts totalling \$1,500 or more to the same registered political party (or a state Branch of a registered political party), the person must furnish a return to the Electoral Commission covering all the gifts that the person made to that political party or branch during the financial year.

Also, if a person makes a gift to any person or body with the intention of benefiting a particular registered political party or State branch of a registered political party, the person is taken for the purposes of subsection (1) to have made that gift directly to that registered political party or branch.

For each gift, the return must set out the amount of the gift, the date on which it was made, and the name and address of the registered political party or branch.

The terms 'gift' and 'disposition of property' are defined in section 287 of the CEA as:

The term *gift* means any disposition of property made by a person to another person, otherwise than by will, being a disposition made without consideration in money or money's worth or with inadequate consideration, and includes the provision of a service (other than volunteer labour) for no consideration or for inadequate consideration.

Disposition of property means (in part) conveyance, transfer, assignment, settlement, delivery, payment or other alienation of property.

Paul Dacey
Acting Electoral Commissioner

Subject: Media reports relating to 'Australians for Honest Politics', The Hon Mr Tony Abbott and possible disclosure obligations

Noted

..... / /

Eric Abetz

Minister's Office Only

Rejected	Timely	<input type="checkbox"/> Too long	Quality
Yes/No	Yes/No	<input type="checkbox"/> Right length	Poor <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> Excellent
		<input type="checkbox"/> Too brief	Comments.....
		

Contact Officer: Kathy Mitchell
 Section: Funding & Disclosure
 Business Unit: AEC

Telephone: 02 6271 4480
 Branch: Elections
 Reference: Fad 2180



Pease quote 98/01289 Fad514
Contact Officer Brad Edgman
Telephone (02) 6271 4413

West Block Offices
Parkes ACT 2600
PO Box E201
Kingston ACT 2604
Telephone (02) 6271 4411
Facsimile (02) 6271 4556

The Hon. Tony Abbott, MP.
Suite 11
Pacific Point
4-10 Sydney Road
Manly NSW 2095

Dear Mr Abbott,

Thank you for your letter of 20 October 1998, responding to our inquiry as to whether the trust "Australians for Honest Politics" may fall within the ambit of an associated entity. I apologise if you have not received a response earlier.

On the basis of the information provided, I am of the opinion that the trust does not constitute an associated entity at this time and accordingly is not required to lodge a disclosure return.

I take this opportunity to note that if the activities of the Trust alter, then it may constitute an associated entity. This is a term interpreted by the *Commonwealth Electoral Act 1918* and used by the Australian Electoral Commission for an organisation that is controlled by, or operates wholly or mainly for the benefit of, one or more political parties.

If I can be of any further assistance, please telephone me on 02 6271 4413.

Yours sincerely,

Brad Edgman
Director
Funding and Disclosure

10/06/99



PARLIAMENT OF AUSTRALIA • THE SENATE

SENATOR JOHN FAULKNER

Labor Senator for New South Wales

Leader of the Opposition in the Senate

Shadow Minister for Public Administration and Home Affairs

Telephone: (02) 9719.8100

Fax: (02) 9719.8078

FAX COVER SHEET

DATE: 26-8-03

TO: Andy Becker / Paul Dacey

FROM: John Faulkner

No. of pages: 4 (including this page)

letter attached.

URGENT

① Ac E.

Would you pls have D FAS
apply urgency to prep'ing
a response to this letter
Per EC sig - thru' PAMS pl.
Thanks - Also let me know if
a legal opinion has
been rec'd.
Tini.
26/8.



Senator John Faulkner

Leader of the Opposition in the Senate
Shadow Special Minister of State and Shadow Minister for Home Affairs

Mr Andy Becker
Electoral Commissioner
Australian Electoral Commission
PO Box E201
KINGSTON ACT 2604

Dear Mr Becker

I refer to the Senate Finance and Public Administration Committee Estimates hearing on 30 May 2002 when I raised the question of whether The Hon. Tony Abbott MP's assistance to Mr Terry Sharples and others in their case against Pauline Hanson's One Nation amounted to a gift under the terms of the *Commonwealth Electoral Act 1918*.

At that time, the AEC took the issue on notice. On 8 July 2002 the AEC provided an answer that it was

“seeking formal legal advice on the matter. The AEC is, therefore, not in a position to respond to this question at this time but will do so as soon as possible.”

To date we have not received any further response from the AEC.

Since Mr Abbott's assistance to Mr Sharples was raised at Senate Estimates, some further information has come to light. I draw your attention to the following:

- The view of the Queensland Supreme Court in its judgment in *Sharples v O'Shea* on 19 August 1999 that:
 - “One might readily infer that Mr Abbott was as much motivated by party political considerations relating to the next Federal election as he was in the Queensland Electoral Commission inquiring into assertions of misrepresentation and fraud "because of the public interest in the matter".
- Allegations aired on the ABC TV program *Lateline* on Friday 21 August 2003 that Mr Abbott:
 - Stated in a written agreement dated 11 July 1998, between himself and Mr Sharples, that Sharples had his “personal guarantee that you will not be further out of pocket”. Mr Abbott has acknowledged publicly that he signed such a guarantee;
 - Promised general assistance to Mr Sharples in the case; and
 - Helped Mr Sharples locate a lawyer (Brisbane barrister Paul Everingham) to bring his legal action.

- Mr Sharples' claim on Channel Seven on Monday 25 August 2003 that Mr Abbott promised to bankroll his case against Pauline Hanson's One Nation and that "it was only after Abbott offered the \$20,000 into the trust account that I agreed to enter into the Supreme Court action".
- Media reports yesterday and today that Mr Abbott offered Pauline Hanson's One Nation dissidents financial support and arranged for the former Queensland Liberal Party President Paul Everingham to act for them free of charge.
- Today's report in the *Sydney Morning Herald* that Mr Abbott:
 - Raised nearly \$100,000 to assist in the prosecution of Ms Pauline Hanson;
 - Set up a trust fund entitled "**Australians for Honest Politics**" from donations he himself solicited;
 - Acknowledged "**Australians for Honest Politics**" had assets "close to \$100,000" and was controlled by himself and two other trustees;
 - Organised a separate "donor" to support legal action by Mr Sharples;
 - On at least two occasions organised legal representatives to act for Mr Sharples; and
 - Instructed his own lawyers to "offer Mr Sharples \$10,000 of his own money".

As you would appreciate, under the Act "gifts" do not have to be *from* or *to* political parties to require their full disclosure to the AEC. Under Section 305B(2) of the Act, a person who makes a gift to another person "with the intention of benefiting a particular registered party" has disclosure obligations.

Also, direct financial assistance and a guarantee to indemnify for legal costs both amount to the "disposition of property" under the Act.

From the material on the public record to date, Mr Abbott and the trust fund "**Australians for Honest Politics**" clearly had a strong connection to the initiation of legal proceedings against Pauline Hanson's One Nation. It is also clear their support included financial assistance and personal guarantees to Mr Sharples and possibly others.

It would be reasonable for the AEC to conclude that the intention of Mr Abbott and others in giving such assistance to Mr Sharples and others was, on balance, to benefit the Liberal Party in the 1998 election and beyond by neutralising another political party, namely Pauline Hanson's One Nation. In fact, the name of the conduit for the funds raised by Mr Abbott, **Australians for Honest Politics**, does imply a political motive.

Mr Abbott and others associated with the trust fund "**Australians for Honest Politics**" may well have disclosure obligations under the Act in relation to this matter which, to date, do not appear to have been fulfilled.

I would appreciate the AEC notifying me as soon as possible whether any legal advice has been received on these matters - including the matters raised in 2002 Senate Estimates hearings.

*
||

Further, I would request the AEC inform me if it has any plans to investigate any of the following matters:

- (1) Whether the transactions between Mr Abbott, the trust fund entitled "**Australians for Honest Politics**" and Mr Sharples amount to gifts that need to be fully disclosed;
- (2) Who donated money to the trust fund "**Australians for Honest Politics**", who controlled the trust fund, how donations to it were acquitted and what the purpose of the trust fund was; and
- (3) Whether the trust fund "**Australians for Honest Politics**" has operated for the benefit of the Liberal Party and, in fact, whether it is an Associated Entity of the Liberal Party.

In view of the extensive period of time since your office undertook to provide answers to my earlier questions, I would appreciate your early response to this letter.

Yours sincerely



JOHN FAULKNER

26 August 2003



File Ref 02/763-fad2177
Contact Officer K Mitchell
Phone 02 6271 4413
Fax 02 6271 4555

West Block Offices
Parkes ACT 2600

PO Box E201
Kingston ACT 2604

Telephone (02) 6271 4411
Facsimile (02) 6271 4556
www.aec.gov.au
ABN 21 133 285 851

Senator John Faulkner
Leader of the Opposition in the Senate
Shadow Special Minister of State and Shadow Minister for Home Affairs
Parliament House
CANBERRA ACT 2600

FAXED

Dear Senator

I refer to your letter of 26 August 2003 to the Electoral Commissioner concerning financial and other assistance allegedly provided by The Hon Mr Tony Abbott to Mr Sharples in relation to a court case. Your advisor, Mr Sachs also sent an e-mail on 27 August 2003 providing additional information on this matter.

In your letter you mention that the Australian Electoral Commission (AEC) took a question on notice from you regarding this matter at the May 2002 Senate Estimates hearings. The AEC's interim response to this question was that it would be worthwhile seeking formal legal advice on the matter. You note that you have not received any further response from the AEC. Legal advice was obtained, however, information available to the AEC to date has been inconclusive and the AEC has not been in a position to provide a final response to your question. Please be assured that this matter is still under active consideration and the AEC will provide a response on this matter as soon as it is in a position to do so.

Also in your letter, you ask the following questions:

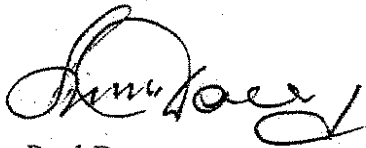
1. whether the transactions between Mr Abbott, the trust fund entitled "Australians for Honest Politics" and Mr Sharples amount to gifts that need to be fully disclosed;
2. who donated money to the trust fund "Australians for Honest Politics", who controls the trust fund, how donations to it were acquitted and what the purpose of the trust fund was; and
3. whether the trust fund "Australians for Honest Politics" has operated for the benefit of the Liberal Party and, in fact, whether it is an associated entity of the Liberal Party.

The AEC wrote to Mr Abbott on 10 June 1999 advising that it was of the opinion that "Australians for Honest Politics" was not an associated entity at that time based on the information available to the AEC. However, the AEC has a policy of considering issues that are raised in public fora, including the media and this may include re-consideration of issues that it has previously determined. The AEC is in the process of considering the information that has recently become available on this matter and, if it is determined that "Australians for Honest Politics" is an associated entity, will

seek to obtain relevant financial disclosure returns. If such returns are received, the AEC will make them available on the its website for public inspection. Please note however, that the AEC is not in a position to provide information in relation to matters which are not required to be included in a financial disclosure return.

Thank you for bringing to the AEC's attention the reports included in your letter and Mr Sachs' subsequent e-mail. I will write to you again when I have anything further to advise.

Yours sincerely



Paul Dacey
Acting Electoral Commissioner

28 August 2003



Senator John Faulkner

Leader of the Opposition in the Senate
Shadow Special Minister of State and Shadow Minister for Home Affairs

Mr Andy Becker, 28/8
Electoral Commissioner
Australian Electoral Commission
PO Box E201
KINGSTON ACT 2604

FAKED - original of
letter fax for
file.
JD.

Dear Mr Becker

I refer to the Senate Finance and Public Administration Committee Estimates hearing on 30 May 2002 when I raised the question of whether The Hon. Tony Abbott MP's assistance to Mr Terry Sharples and others in their case against Pauline Hanson's One Nation amounted to a gift under the terms of the *Commonwealth Electoral Act 1918*.

At that time, the AEC took the issue on notice. On 8 July 2002 the AEC provided an answer that it was

"seeking formal legal advice on the matter. The AEC is, therefore, not in a position to respond to this question at this time but will do so as soon as possible."

To date we have not received any further response from the AEC.

Since Mr Abbott's assistance to Mr Sharples was raised at Senate Estimates, some further information has come to light. I draw your attention to the following:

- The view of the Queensland Supreme Court in its judgment in *Sharples v O'Shea* on 19 August 1999 that:
 - "One might readily infer that Mr Abbott was as much motivated by party political considerations relating to the next Federal election as he was in the Queensland Electoral Commission inquiring into assertions of misrepresentation and fraud "because of the public interest in the matter".
- Allegations aired on the ABC TV program *Lateline* on Friday 21 August 2003 that Mr Abbott:
 - Stated in a written agreement dated 11 July 1998, between himself and Mr Sharples, that Sharples had his "personal guarantee that you will not be further out of pocket". Mr Abbott has acknowledged publicly that he signed such a guarantee;
 - Promised general assistance to Mr Sharples in the case; and
 - Helped Mr Sharples locate a lawyer (Brisbane barrister Paul Everingham) to bring his legal action.

- Mr Sharples' claim on Channel Seven on Monday 25 August 2003 that Mr Abbott promised to bankroll his case against Pauline Hanson's One Nation and that "it was only after Abbott offered the \$20,000 into the trust account that I agreed to enter into the Supreme Court action".
- Media reports yesterday and today that Mr Abbott offered Pauline Hanson's One Nation dissidents financial support and arranged for the former Queensland Liberal Party President Paul Everingham to act for them free of charge.
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 - Set up a trust fund entitled "**Australians for Honest Politics**" from donations he himself solicited;
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 - On at least two occasions organised legal representatives to act for Mr Sharples; and
 - Instructed his own lawyers to "offer Mr Sharples \$10,000 of his own money".

As you would appreciate, under the Act "gifts" do not have to be *from* or *to* political parties to require their full disclosure to the AEC. Under Section 305B(2) of the Act, a person who makes a gift to another person "with the intention of benefiting a particular registered party" has disclosure obligations.

Also, direct financial assistance and a guarantee to indemnify for legal costs both amount to the "disposition of property" under the Act.

From the material on the public record to date, Mr Abbott and the trust fund "**Australians for Honest Politics**" clearly had a strong connection to the initiation of legal proceedings against Pauline Hanson's One Nation. It is also clear their support included financial assistance and personal guarantees to Mr Sharples and possibly others.

It would be reasonable for the AEC to conclude that the intention of Mr Abbott and others in giving such assistance to Mr Sharples and others was, on balance, to benefit the Liberal Party in the 1998 election and beyond by neutralising another political party, namely Pauline Hanson's One Nation. In fact, the name of the conduit for the funds raised by Mr Abbott, **Australians for Honest Politics**, does imply a political motive.

Mr Abbott and others associated with the trust fund "**Australians for Honest Politics**" may well have disclosure obligations under the Act in relation to this matter which, to date, do not appear to have been fulfilled.

I would appreciate the AEC notifying me as soon as possible whether any legal advice has been received on these matters - including the matters raised in 2002 Senate Estimates hearings.

Further, I would request the AEC inform me if it has any plans to investigate any of the following matters:

- (1) Whether the transactions between Mr Abbott, the trust fund entitled "**Australians for Honest Politics**" and Mr Sharples amount to gifts that need to be fully disclosed;
- (2) Who donated money to the trust fund "**Australians for Honest Politics**", who controlled the trust fund, how donations to it were acquitted and what the purpose of the trust fund was; and
- (3) Whether the trust fund "**Australians for Honest Politics**" has operated for the benefit of the Liberal Party and, in fact, whether it is an Associated Entity of the Liberal Party.

In view of the extensive period of time since your office undertook to provide answers to my earlier questions, I would appreciate your early response to this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read "John Faulkner", with a long horizontal flourish extending to the right.

JOHN FAULKNER

26 August 2003

Glaxo Smith Kline

Appears on the following returns as providing funds to:

Name	Address	Value	
Australian Labor Party (ALP) - NATIONAL	PO Box E1 KINGSTON ACT 2604	\$11,000.00	Receipt
Liberal Party of Australia (Victorian Division) - VIC	Robert Menzies Centre 104 Exhibition Street MELBOURNE VIC 3000	\$1,500.00	Receipt
Liberal Party of Australia - NATIONAL	PO Box E13 KINGSTON ACT 2604	\$45,000.00	Donation

Disclaimer: The above information should be verified against the submitted Return document(s).

Top Print

Glaxo Smith Kline is also
 known as SmithKline Beecham International.
 both have business address as
 300 Frankston Rd
 Dandenong Vic

bemoan

Ben Lomond

bemoan /be'moun, bi-/ v.t. 1. to moan over; bewail; lament 2. to express pity for. [AS. = MOAN]

bemused /be'mju:zd, bi-/ adj. 1. confused; muddled; perplexed 2. lost in thought; preoccupied.

benedryl /'benedri:l/ n. a synthetic drug, diphenhydramine hydrochloride, used especially to relieve hay fever and hives. [Trademark]

Benaud /'benou/ n. Richie (Richard Benaud), born 1930, Australian Test cricketer and journalist.

bench /bentʃ/ n. 1. a long seat with or without a back to accommodate several people 2. a seat on which members sit in a house of parliament 3. a seat occupied by a person in his or her official capacity 4. the strong work-table of a carpenter or other mechanic 5. -> kitchen bench 6. Mining a steep or working elevation in a mine 7. the bench, a. the position or office of a judge b. appointed to the bench 8. the body of persons sitting as judges c. Sport the reserve players present at a game. - v.t. 8. to place in exhibition: with a dog. [OE benc] - benches, adj.

benchmark /'bentʃmɑ:k/ n. 1. a point of reference from which quality or excellence is measured. - adj. 2. having to do with a benchmark. - v.t. 3. to set a benchmark for: this case will benchmark all future judgments in the wages area.

benchmarking /'bentʃmɑ:kɪŋ/ n. the practice whereby companies compare their performance in a variety of different management and manufacturing fields with that of other companies.

bench press /'bentʃ'pres/ n. Weightlifting a competition lift where the competitor lies on a bench and lifts the weights to an arm's length above the chest.

bench seat /-sɪt/ n. (in a motor vehicle) a seat which is not divided into sections for individual passengers. Cf. bucket seat.

bend /bend/ v. bent, bending, n. - v.t. 1. to force into a different or particular, especially curved, shape, as by pressure 2. to cause to submit to bend someone to one's will 3. to turn in a particular direction. - v.i. 4. to become curved, crooked, or bent 5. to assume a bent posture; stoop 6. to bow in submission or reverence; yield; submit. - n. 7. the act of bending 8. a bent thing or part; curve; hook 9. Nautical a knot by which a rope is fastened to another rope or to something else. - phr. 10. bend over backwards, to exert oneself to the utmost; make a strenuous effort. 11. bend the elbow, Colloquial to drink alcoholic liquor, usually to excess. 12. bend towards, to incline mentally; to bend words an inauspicious approach. 12. round the bend, Colloquial mad. [OE bendan bind, bend (a bow)] - bendable, adj.

bendee /'bendi/ n. a tree of Queensland and the Northern Territory, Ascaros caryocarpus, which grows in stony, shallow soil and which has a deeply-fluted trunk. [beng; ? Queensland language]

bet /bet/ n. Colloquial a drinking spree. [Brit.]

Bige /'bɪdʒəʊ/ n. a city in central Victoria; major commercial centre; pastoral and manufacturing industries. Pop. 59 936 (1996).

bends /bendz/ pl. n. the, a sometimes fatal disorder involving the formation of nitrogen bubbles in the blood and caused by a too rapid decrease in the pressure to which the body is subjected; found in divers who have surfaced too quickly; pilots of unpressurised aircraft; workers in compressed air, etc., and characterised by pains in the lungs, the limbs and joints, and the adoption of a bent position; caisson disease. [from BEND]

bendy /'bendi/ adj. 1. liable to bend; pliable 2. designed to bend 3. full of twists or bends; winding: a bendy road.

bendy bus /-bʌs/ n. Colloquial an articulated bus with two sections, each the length of a single bus, joined in the middle, allowing the bus to negotiate corners.

bene, a word element meaning 'well', as in benediction, [L], combining form of bene, adverb]

beneath /bi'ni:θ, bi-/ adv. 1. below; in a lower place, position; state, etc. 2. underneath: the heaven above and the earth beneath. - prep. 3. below; under: beneath the surface. 4. further down than; underneath; lower in

place than. 5. lower down on a slope than: beneath the crest of a hill. 6. inferior in position, power, etc., to: a captain is beneath a major. 7. unworthy of; below the level or dignity of: beneath contempt. [OE be by + neathan below]

Benedictine /'benedɪktɪn/ n. 1. Ecclesiastical a member of an order of monks founded at Monte Cassino, between Rome and Naples, by St Benedict about AD 530, or of various congregations of nuns following his rule. The rules of the order (Benedictine rule) are silence and useful employment when not in divine service. - adj. 2. relating to St Benedict or to an order following his rule.

benediction /'benedɪkʃən/ n. Ecclesiastical 1. the act of uttering a blessing 2. the form of blessing pronounced by an officiating minister, as at the close of divine service, etc. 3. the advantage conferred by blessing; a mercy or benefit. [ME, from L] - benedictional, adj. - benedictory /'benedɪktɔ:ri/, adj.

benefactor /'benɪfæktə, benɪ'fæktə/ n. 1. someone who confers a benefit; kindly helper 2. someone who makes a bequest or endowment. [L] - benefactress /'benɪfæktərəs, benɪ'fæktərəs/, n. fem.

beneficent /'benɪfɪsənt/ adj. doing good or causing good to be done; conferring benefits; kindly in action or purpose. - beneficence, n. - beneficently, adv.

beneficial /'benɪ'fiʃəl/ adj. 1. conferring benefit; advantageous; helpful 2. Law helpful in the meeting of needs: a beneficial association. - beneficially, adv.

beneficiary /'benɪ'fiʃəri/ n., pl. -ries someone who receives benefits, profits, or advantages.

benefit /'benɪfɪt/ n., v., -fitted, -fitting. - n. 1. an act of kindness 2. anything that is for the good of a person or thing 3. a theatrical performance or other public entertainment to raise money for a worthy purpose 4. a payment or other assistance given by an insurance company, mutual benefit society, or public agency. - v.t. 5. to do good to; be of service to. - v.i. 6. to gain advantage; make improvement. [L bene + ficere + facere thing done] Usage: The convention is that words like benefit, rocket and target, with an unstressed final syllable ending in t, do not normally show doubling of the t in inflected forms such as benefited and rocketing. Nevertheless, some writers do double the t and some forms with double t (such as targeted) seem to be increasing in currency.

benevolent /'benɪ'velənt/ adj. 1. desiring to do good for others 2. intended for benefits rather than profit: a benevolent institution. [L well-wishing] - benevolence, n. - benevolently, adv.

Bengal /'benɡəl, ben'ɡɔ:l/ n. 1. a former province in north-eastern India; in 1947 divided into East Bengal (now Bangladesh) and West Bengal (in India). 2. Bay of, a part of the north-eastern Indian Ocean between Burma and India. 2 172 000 km². - Bengali, n., adj.

Ben-Gurion /ben-'ɡʊrɪən/ n. David, 1886-1973, Israeli politician; prime minister 1949-53, 1955-63.

benighted /'benɪ'raɪtɪd/ adj. 1. intellectually or morally ignorant; unenlightened 2. overtaken by darkness or night. [fr. of benight, verb, from ben- + night]

benign /'benɪ'nəm/ adj. 1. of a kind disposition; kind 2. showing or caused by gentleness or kindness: a benign smile. 3. favourable; propitious: benign planets. 4. Pathology not malignant: a benign tumour. [ME, from L: kind] - benignity /'benɪ'nəsəti/, n. - benignly, adv. Usage: In their adjectival forms benign and malign, benignant and malignant seem to make up a pair of well-matched antonyms. But malign alone has verb senses; and modern medical use tends to oppose malignant (of a tumour, etc.) to benign rather than to benignant.

benign neglect /-nɪ'ɡlekt/ n. neglect which has beneficial results, possibly better results than if there had been active involvement or concern: a foreign policy of benign neglect.

Benjamin /'benɪdʒəmən/ n. Bible the youngest and favourite son of Jacob by Rachel, and brother of Joseph.

Ben Lomond /ben 'loumænd/ n. 1. a mountain in west-

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Courier Mail Wednesday 24/4/2002
General News Page 2
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MP Abbott dobbed in Hanson, court told

Jesmin Lill

A FRAUD case involving former One Nation leader Pauline Hanson has heard allegations that federal MP Tony Abbott had bankrolled the Queensland Supreme Court action which led to One Nation's demise.

Hanson and former party director David Ettridge appeared in the Brisbane Magistrate's Court yesterday charged with fraudulently registering One Nation as a Queensland political party in 1997.

Hanson also faces two charges of dishonestly claiming electoral funding totalling almost \$500,000 for the 1998 state election. They have both pleaded not guilty.

The court heard Federal MP Tony Abbott had detailed concerns he had about One Nation's party structure in a letter to Queensland Electoral Commissioner Des O'Shea.

But one of the chief investigators, Detective Sergeant Graham Newton, said he did not know whether the Abbott letter was the first time concerns had been

raised about the status of One Nation members.

During questioning by Hanson's solicitor Chris Nyst, Det Sgt Newton agreed One Nation was a "red hot" political issue at the time of his investigation, but denied any political interference.

Mr Nyst also asked the officer whether he was aware of allegations Mr Abbott had bankrolled court action by former One Nation candidate Terry Sharples in the Supreme Court three years ago. "I'd heard it suggested, but I didn't investigate it," he said.

Det Sgt Newton also told the court he believed members of One Nation's support movement had been deceived into believing they were members of a political party.

"It was clear in my mind that people were tricked."

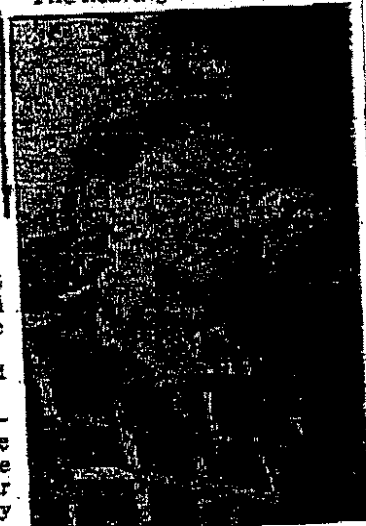
Police also considered conducting surveillance on One Nation's Sydney office before they carried out an eight-hour search of the NSW Manly office in January 2000.

It was during the search that police met an office secretary who said she produced

the list of 500 members that was used to help register the party at Ettridge's request.

"I personally don't think she was particularly well-informed of what was going on in the office," Det Sgt Newton said.

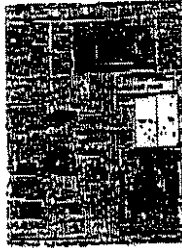
The hearing continues.



PAULINE Hanson ... has pleaded not guilty.

Abbott not a "red hot" then (1998)

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Age Wednesday 24/8/2002
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Detective denies political push

Ansley Fawc

A detective yesterday denied being pressured by Workplace Minister Tony Abbott or police superiors to investigate electoral fraud charges against One Nation co-founders Pauline Hanson and David Ettridge.

Detective Sergeant Graham Newton told Brisbane Magistrates Court that he was aware of rumours that major documents turned up in Mr Abbott's office but were never investigated.

The detective, who led a raid of One Nation's Sydney headquarters during the 21-month investigation, said he was also aware Mr Abbott had called on Queensland Electoral Commissioner Des O'Shea to investigate One Nation's structure.

He said the points raised in Mr Abbott's letter to the electoral commission became significant in the fraud investigation.

When asked by Magistrate Michael Halliday whether he was under pressure to investigate, Detective Sergeant Newton replied: "None whatsoever."

Former One Nation leader Ms Hanson and Mr Ettridge are accused of dishonesty connected with the registration of the party in 1997.

Mr Ettridge has pleaded not

guilty to fraudulently registering One Nation, while Ms Hanson has pleaded not guilty to inducement and dishonestly obtaining \$498,637 in electoral funding, which she has paid back.

In the letter, Mr Abbott suggested supporters used in the party's registration application in Queensland were not members of One Nation, and insisted the application process used to sign up the supporters was in breach of One Nation's constitution.

Detective Sergeant Newton said he was aware of suggestions Mr Abbott had bankrolled a Queensland Supreme Court legal action that led to One Nation's demise, but said he had never investigated it.

"People were tricked into believing they were members of the party when they were becoming members of the supporters' movement," he said.

Detective Sergeant Newton said One Nation figure David Oldfield was initially a suspect, but there was not enough evidence against him. He said Mr Oldfield, an independent MP in the New South Wales upper house, was not involved in the electoral fraud.

Meanwhile, Ms Hanson has agreed to pay Mr Ettridge's court costs. **AA**

People were tricked into believing they were members of the party when they were becoming members of the supporters' movement.

GRAHAM NEWTON
Detective Sergeant

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Sin: 0009
Brief: AEC

Canberra Times Wednesday 24/4/2002
General News Page 9
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'No pressure' to probe Hanson

BRISBANE: A detective denied yesterday being pressured by senior Federal Government minister Tony Abbott or police superiors to investigate electoral fraud charges against One Nation co-founders Pauline Hanson and David Ettridge.

In Brisbane Magistrates Court yesterday, Detective-Sergeant Graham Newton told Hanson's and Ettridge's committal hearing he was aware of rumours that major documents turned up in Mr Abbott's office but were never investigated.

The detective, who led a raid of One Nation's Sydney headquarters during the 21-month investigation, said he was also aware Mr Abbott had called on Queensland Electoral Commissioner Des O'Shea to investigate One Nation's structure.

He told the hearing the points raised in Mr Abbott's letter to the electoral commission became significant in the fraud investigation but that he had never looked into how the documents reached the Howard Government employment minister.



Tony Abbott: unsmiling.

Sergeant Newton was asked by Magistrate Michael Halliday whether any pressure was brought to bear from anyone to investigate and he replied, "None whatsoever."

Hanson, the former One Nation leader, and Ettridge are accused of dishonesty connected with the registration of the party in 1997.

Ettridge has pleaded not guilty of fraudulently registering One Nation while Hanson has pleaded not guilty of inducement and dishonestly obtaining \$498,637 in electoral funding, which she has paid back.

In the letter, Mr Abbott sug-

gested supporters used in the party's registration application in Queensland were not members of the One Nation party.

He also insisted the application process used to sign up the supporters was in breach of One Nation's constitution, which required the executive to second applications.

Sergeant Newton said he was also aware of suggestions Mr Abbott had bankrolled a Queensland Supreme Court legal action which led to One Nation's demise but said he had never looked into it.

"I heard that suggestion but I didn't investigate it," he said.

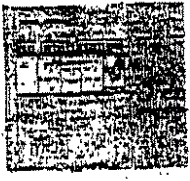
The detective said he believed Hanson and Ettridge were tricking people.

"People were tricked into believing they were members of the party when they were becoming members of the supporters' movement," he told the hearing.

Sergeant Newton told the court that key One Nation figure David Oldfield was initially a suspect in the fraud investigation but there was not enough evidence to lay charges against him.

— AAP

MEDIA MONITORS
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Townsville Bulletin Wednesday 24/4/2002
General News Page 14
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Size: 146.16 sq.cms.

No interference

Detective denies political pressure

A DETECTIVE yesterday denied being pressured by senior Federal Government minister Tony Abbott to investigate electoral fraud charges against One Nation co-founders Pauline Hanson and David Ettridge.

In Brisbane Magistrates Court yesterday, Detective Sergeant Graham Newton told Hanson's and Ettridge's committal hearing he was aware of rumours that major documents turned up in Mr Abbott's office.

The detective said he was also aware Mr Abbott had called on Queensland Electoral Commissioner Des

O'Shea to investigate One Nation's structure.

He said the points raised in Mr Abbott's letter to the electoral commission became significant in the fraud investigation but that he had never looked into how the documents reached Mr Abbott.

Sgt Newton was asked by Magistrate Michael Halliday if any pressure was brought to bear from anyone to investigate. He replied: "None whatsoever."

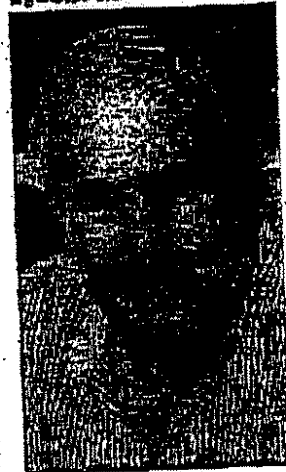
Hanson, the former One Nation leader, and Ettridge are accused of dishonesty connected with the registration of the party in 1997.

Ettridge has pleaded not guilty to fraudulently registering One Nation while Hanson has pleaded not guilty to inducement and dishonestly obtaining \$498,537 in electoral funding, which she has already paid back. Sgt Newton said he believed Hanson and Ettridge were tricking people.

He said people thought they were becoming members of the party when they were really joining the supporters movement.

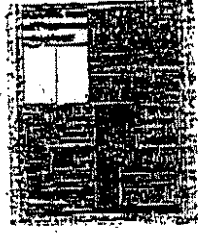
Sgt Newton said key One Nation figure David Oldfield was initially a suspect in the fraud investigation but there was not enough

evidence to lay charges against him.



David Ettridge

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Queensland Times (Ipswich) Wednesday 24/8/2002
General News Page 7
Circulation: 14,248
Size: 170.35 sq.cms.

Abbott tips off Hanson check-up

By Scott Murdoch

FEDERAL Liberal minister Tony Abbott has been embroiled in fraud accusations against former One Nation leader Pauline Hanson after it was alleged yesterday he paid for a disgruntled candidate to begin legal proceedings to deregister the party.

A fraud squad detective told the Brisbane Magistrates Court hearing for Hanson and former party director David Ettridge he had "heard" Mr Abbott offered incentive to Terry Sharples but never investigated the issue.

Hanson and Ettridge were charged last year after allegedly fraudulently registering their party by submitting signatures of 600 people registered with a support movement, not the political party.

The second day of their committal hearing was told police investigations began after Mr Abbott, the Federal Employment Minister, wrote to then Queensland Electoral Commissioner Des O'Shea asking the internal structure be examined.

Detective Graham Newton admitted under cross examination he had been told of the allegations against Mr Abbott but never took up the issue.

Hanson's solicitor Chris Nyst questioned whether Det Newton had been pressured to pursue Hanson after the party experienced swelling popularity.

"Did you, as your investigation proceeded, discover that Mr Abbott had entered into an agreement with Sharples that if he bought action Abbott would pay for his legal costs?" Mr Nyst said.

Det Newton: "I've heard this but never investigated it."

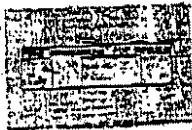
"Have you heard Abbott referred Sharples to a solicitor called Paul Everingham who was connected to the Liberal party?" Mr Nyst said.

Det Newton: "No."

The court was also told Mr Abbott complained about One Nation after the party "auctioned" memberships at an Ipswich branch meeting.

The hearing continues today.

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Calms Post Wednesday 24/4/2002

General News Page 11

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'No pressure' for probe

From AAP in Brisbane

A DETECTIVE yesterday denied being pressured by senior Federal Government Minister Tony Abbott or police superiors to investigate electoral fraud charges against One Nation co-founders Pauline Hanson and David Ettridge.

In Brisbane Magistrates Court yesterday, Detective-Sergeant Grahame Newton told Ms Hanson's and Mr Ettridge's criminal hearing he was aware of rumours that major documents turned up in Mr Abbott's office but were never investigated.

The detective, who led a raid of One Nation's Sydney headquarters during the 21-month investigation, said he was also aware Mr Abbott had called on Queensland Electoral Commissioner Des O'Shea to investigate One Nation's structure.

He told the hearing the points raised in Mr Abbott's letter to the

electoral commission became significant in the fraud investigation but that he had never looked into how the documents reached the Howard Government employment minister.

Det-Sgt Newton was asked by Magistrate Michael Halliday whether any pressure was brought to bear from anyone to investigate and he replied: "None whatsoever."

Mr Hanson, the former One Nation leader, and Mr Ettridge are accused of dishonestly connected with the registration of the party in 1997.

Mr Ettridge has pleaded not guilty to fraudulently registering One Nation and Hanson has pleaded not guilty to indictment and dishonestly obtaining \$498,637 in electoral funding, which she has paid back.

In the letter, Mr Abbott suggested supporters used in the party's registration application in Queensland were not members of the One Nation

party.

He also insisted the application process used to sign up the supporters was in breach of One Nation's constitution, which required the executive to second applications.

Det-Sgt Newton said he was also aware of suggestions Mr Abbott had bankrolled a Queensland Supreme Court legal action which led to One Nation's demise but said he had never looked into it.

"I heard that suggestion but I didn't investigate it," he said.

The detective said he believed Mr Hanson and Mr Ettridge were tricking people.

"People were tricked into believing they were members of the party when they were becoming members of the supporters' movement," he told the hearing.

27 JUN 2002 15:55

ENROL & PARL ELEC

62

Thursday, 30 May 2002

SENATE—Legislation

P&PA 397

Senator BARTLETT—Does that have any impact on the AEC?

Mr Dacey—No.

Senator BARTLETT—You are not considering that process?

Mr Dacey—No.

CHAIR—Senator Faulkner, do you have any further questions for the AEC?

Senator FAULKNER—Yes. Has the issue of Senator Heffernan's loan to the New South Wales Liberal Party of \$13,000 been drawn to your attention?

Ms Mitchell—No, that is not an issue that I have had drawn to my attention yet.

Senator FAULKNER—It does not appear in the last return of the Liberal Party, but it depends of course on the date of the loan. I just wondered if you were able to assist us on that, but you are not aware of it.

Ms Mitchell—No, but I can take it on board to follow it up, if that is what you would like.

Senator FAULKNER—Okay. I was interested to know whether there had been any contact with the New South Wales division of the Liberal Party or Senator Heffernan about that loan—its terms and so forth. It was not in the last return. It is possible that the timing meant that it was not appropriate for it to be. I am not suggesting that it necessarily should have been. We will keep monitoring it. ^{start} Could we now have a status report—and I think I know the answer to this question from the newspapers—from the AEC of the fraud charge in relation to Ms Hanson?

Mr Becker—That is a state issue, for the Electoral Commission of Queensland.

Senator Abetz—I got all these letters from One Nation supporters in Queensland accusing me of this terrible witch-hunt, and I had pleasure in writing back to them saying that it was in fact the state electoral commissioner, that it was nothing to do with us.

Senator ROBERT RAY—There is an old saying: you are nothing in politics until you are hated.

Senator FAULKNER—I understood that to be the case, and I thank you for that. Have any federal implications that might have any relationship to that case been matters for consideration by the AEC?

Mr Becker—Not to my knowledge.

Ms Mitchell—The basis of the registration of Pauline Hanson's One Nation has always been that it is a parliamentary party, so the issue of registration of the party is not one for the AEC to consider. There may well be issues in relation to financial transactions of the party, but that is not clear at this stage in time.

Senator FAULKNER—Thanks for that. Again, I understand that and appreciate what you say to the committee. Specifically, I wanted to touch on an issue that I thought may have been a matter for the AEC or may have been drawn to your attention. It goes to some issues that have received some publicity. I am aware of one article in the *Courier Mail* and one in the *Australian*, both dated 24 April 2002. The *Courier Mail* article, 'MP Abbott dobbed in Hanson, court told', reads:

A fraud case involving former One Nation leader Pauline Hanson has heard allegations that federal MP Tony Abbott had bankrolled the Queensland Supreme Court action which led to One Nation's demise.

The *Australian* article reads:

Detective Sergeant Newton also said he had heard suggestions that Workplace Relations Minister Tony Abbott financed legal action by former One Nation candidate Terry Sharples that led to the deregistration of One Nation in Queensland.

I wondered if that issue had been drawn to your attention. It is in your bailiwick from this perspective: if such donations or bankrolling had occurred, would any such donations or gifts to, in this case, Mr Sharples amount to a donation or gift under the Commonwealth Electoral Act 1983?

Ms Mitchell—Not in my opinion, no.

Senator FAULKNER—Could you explain to me why not?

Ms Mitchell—Mr Sharples is not a registered political party or an associated entity nor was he at the time a candidate. Those are the people to whom donations have to be declared; that is where the disclosure obligations relate. If Mr Abbott had given money to Mr Sharples, it would not be an issue that fell within the Commonwealth Electoral Act.

Senator FAULKNER—'Gift' is defined in section 287 of the act, isn't it?

Ms Mitchell—Yes.

Senator FAULKNER—You have not thought to seek any advice on that issue?

Ms Mitchell—I have not thought to seek any advice, but if you think—

27 JUN 2002 18:55

ENROL & PARL ELEC

(61)

F&PA 398

SENATE—Legislation

Thursday, 30 May 2002

Senator FAULKNER—I am not doubting it, I am just a little surprised by the answer. I thought there might be a very strong case that giving money to someone to help them out in such a court case would fall within the definition in the act.

Ms Mitchell—I am happy to reconsider the issue. All I can do is take on to look at the issue and get back to you on it.

Senator FAULKNER—Let us work through it a little. I have mentioned section 305B(2) before, and it reads:

If a person makes a gift to any person or body with the intention of benefiting a particular registered political party or State branch of a registered political party, the person is taken for the purposes of subsection (1) to have made that gift directly to that registered political party or branch.

I suppose the issue here is that there may be a benefit in such action for the Liberal Party.

Ms Mitchell—I must admit that I had not looked at it in terms of whether there was a benefit to One Nation, and I did not think that there was a benefit to One Nation.

Senator FAULKNER—No, I do not think—

Senator ROBERT RAY—I do not think he was trying to do that!

Senator FAULKNER—Do you see the point I am making?

Ms Mitchell—Yes, I can see the point you are making and, yes, I am happy to consider it from that angle and get back to you on it.

Senator FAULKNER—I appreciate that.

Senator Abetz—It will be interesting to see what comes back for all parties, because I would have thought that, if it is not a direct link or a direct benefit, it will be interesting then how far would you go down the track. It is an interesting point.

Senator FAULKNER—I am not making any allegations here. I am not saying there is any truth to these articles. I do not know; I do not know the background of this. I only know it is in the newspapers, and I know now how much attention you apply to newspaper articles—and web sites.

Senator ROBERT RAY—There are not more free T-shirts to be had, are there?

CHAIR—So there were T-shirts?

Senator ROBERT RAY—I do not know. We knocked ours back.

Senator Abetz—Senator Faulkner was denying that just now.

Senator ROBERT RAY—They did not have a XXXX one anyway.

Senator FAULKNER—Given that you do take account of it, that is something that came to mind. I would be interested in your response. I suspect it is uncharted waters in a way.

Ms Mitchell—It is, yes.

Senator FAULKNER—But I would have thought the provisions of the act here were clear. Anyway, I will be interested in your response, and no doubt we will have an opportunity to look at that at a later stage. Would you care to take that issue in the broad on notice and come back to the committee?

Ms Mitchell—Yes. |

Senator FAULKNER—I do appreciate that it may take a little more time than some other questions on notice, because you might want to give a more considered response. If it is any assistance, I can supply the newspaper articles to you, but I suspect you are better placed than me to be able to delve into the matter.

Ms Mitchell—Yes, we will have copies of those newspaper articles on file.

Senator FAULKNER—There has also been some press coverage about the financial support for the Citizens Electoral Council. Did you see the article in the *Sunday Telegraph* in Sydney on 3 March 2002 headed, 'Pensioners "bullied" for donations' and the one in the *Herald Sun* on the same date headed, 'Far-Right calls boil over'? Did you see those articles?

Ms Mitchell—I do recall having seen the articles, yes.

Senator FAULKNER—I will try to fairly put the case to you. I think it goes to income received by the CEC at over \$1 million in 2000-01, yet only a little over \$100,000 of that is declared. So, in round figures, 90 per cent of the revenue is undeclared. I thought that this would fall very much within your purview, given the press coverage and given your close interest in what is reported in the press.

Ms Mitchell—There is not necessarily any direct correlation between the total amount of receipts and whether or not you expect to see a large number of over-\$1,500 amounts detailed declared in the return. I

Great pretenders

Dinner parties for cheats

GOOD LIVING

73



Abbott set up slush fund to ruin Hanson

Mike Seccombe

One of the Howard Government's most senior ministers last night revealed he raised nearly \$100,000 to lay the groundwork for Pauline Hanson's prosecution for electoral fraud.

The Minister for Workplace Relations, Tony Abbott, admitted setting up a trust, Australians for Honest Politics, from donations to pay for legal actions against Hanson and her party, One Nation.

He had also organised a separate "donor" to support a One Nation dissident, Terry Sharples, seeking an injunction to block One Nation from receiving public electoral funds.

Mr Abbott said the money was promised to cover Mr Sharples if the case failed and costs were awarded against him.

The minister organised a team of lawyers who would represent Mr Sharples without charge, and then a second team after Mr Sharples sacked the first.

Mr Abbott also acknowledged that he had at one time instructed his lawyers to offer Mr Sharples \$10,000 of his own money if he would stop pursuing him for money to cover his huge court costs.

He said he had set up Australians for Honest Politics in 1998 because he believed One Nation was fraudulently registered.

Last week, Hanson and her fellow One Nation founder, David Ettridge, were jailed after the party received nearly \$500,000 in electoral funding to which it was not entitled because it had been falsely registered.

'There was myself and two other trustees. We raised . . . close to \$100,000 and the job of Australians For Honest Politics was to fund court cases against One Nation.'

TONY ABBOTT



The Prime Minister, John Howard, said the sentence was excessive, but Mr Abbott denied that Mr Howard or anyone else in the Government had been involved in the attempt to fund actions against One Nation.

"There was myself and two other trustees. We raised . . . it may not have been \$100,000 but it was certainly close to \$100,000 and the job of Australians For Honest Politics was to fund court cases against One Nation." Mr Abbott did not say who contributed.

He said most of the money had been spent trying to get another One Nation defector, Hanson's former private secretary Barbara Hazelton, to take legal action to stop the payment of \$470,000 in public election funding, following the failure of similar action by Mr Sharples.

Ms Hazelton had decided not to go ahead, Mr Abbott said. "By that stage we'd spent a lot of money and the balance . . . was distributed back to the donors in proportion to their original contribution."

He said his \$10,000 offer to Mr Sharples was made in light of a disputed agreement between them that Mr Sharples would be covered by an open-ended indemnity for the costs of action against Hanson and One Nation.

Mr Abbott had given, in writing, "my personal guarantee to you that you will not be further out of pocket as a result of this action".

The minister said he believed that promise covered only the \$10,000 guarantee he had arranged, but Mr Sharples thought it applied to any legal action.

"Yes, I did make a commitment to Sharples and yes the commitment was to back him to the tune of \$10,000," he said last night, "that being the maximum downside that we could have expected."

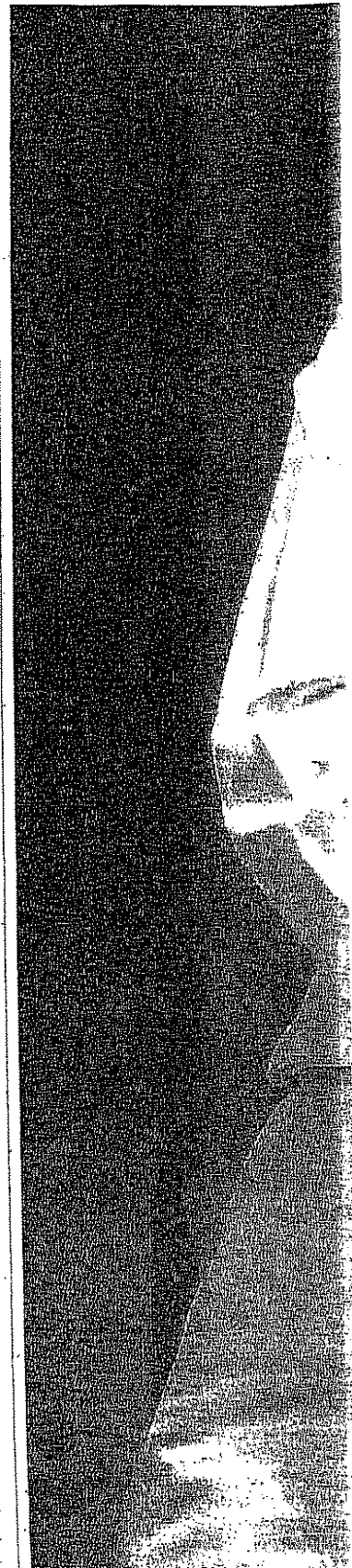
But after Mr Sharples went on with other action, incurring big bills, and the original guarantor dropped out, Mr Abbott was facing possible personal liability.

"He claims that the letter that I gave to him at the time . . . constituted an open-ended indemnity to support any legal action Sharples wanted to implement anywhere involving One Nation."

So Mr Abbott offered the \$10,000 to call it quits. It was not accepted, and he had personally paid Mr Sharples nothing, although he had been prepared to carry the cost.

"It couldn't come from Australians for Honest Politics because it had no money left in it. I mean, if Sharples had accepted that arrangement I suppose it would've come from me."

Mr Sharples could not be contacted yesterday.



Make my day . . . the Prime Minister, John Howard, rescue the Solomon Islands from a law-
as you" to Australian taxpayers and "thank

Brien Hallett
26/08/2003 05:06 PM

To: Karen Holas/ACT/AEC@AEC, Nicole Lawley/ACT/AEC@AEC, Brad Edgman/ACT/AEC@AEC, Phil
Diak/ACT/AEC@AEC, Bernadette O'Meara/ACT/AEC@AEC, Paul Anderson/ACT/AEC@AEC
cc: Executive/CO, David Farrell/NSW/AEC@AEC, Anne Bright/QLD/AEC@AEC

Subject: Re: Request from re Outstanding Senate Estimates Question 

Colleagues
see my other email. I have told that we are doing a file search and I don't expect to have an
answer tonight. Will phone her tomorrow.
BH
Karen Holas

Karen Holas
26/08/2003 04:07 PM

To: Doug Orr/ACT/AEC@AEC
cc: Brien Hallett/ACT/AEC@AEC

Subject: Request from re Outstanding Senate Estimates Question

Doug,

I am not across what has lead up to this, as this is the first I have heard about this type of issue.

I saw an interview with David Oldfield on A Current Affair the other day and got a transcript for Kathy. The thrust of that interview was a bit about key politicians who had been reported as being involved in an "orchestrated persecution" of Pauline Hanson - Tony Abbott, Tim Fischer, Ron Boswell and former National Party Senator Bill O'Chee were mentioned.

This information was going to be used as the basis for the appeal by Pauline Hanson's solicitor - Mr Nyst. I have the notes etc that I have done if you want to review.

Nicole has just advised me told me that there are apparently a number of similar queries about from other jourmos. It seems to me that there are a number of aspects relevant to this - our approach and response - being standard but also the legal implications in relation to Pauline Hanson's case. ie what we say and how it can be used etc and if any FOI requests might be lodged etc

Further, the F&D perspective on whether such funds are scoped into the F&D provisions.

Karen H

----- Forwarded by Karen Holas/ACT/AEC on 26/08/2003 04:03 PM -----

Karen Holas
26/08/2003 03:41 PM

To: Kathy Mitchell/ACT/AEC@AEC
cc: Doug Orr/ACT/AEC@AEC

Subject: Request from [redacted] re Outstanding Senate Estimates Question
[redacted] from [redacted] phoned today asking the following:

Senator Faulkner asked a question on Notice at the May 2002 Senate Estimates Hearings regarding whether there were any F& D guidelines on Fighting Funds set up by people (ie Tony Abbott) to persue Pauline Hanson.

Has there been a response and if so what was it?

Can you give [redacted] a callon

Karen H



Brien Hallett
26/08/2003 05:07 PM

To: Karen Holas/ACT/AEC@AEC, Nicole Lawley/ACT/AEC@AEC
cc:

Subject: Re: Request from re Outstanding Senate Estimates Question

FYI
BH

----- Forwarded by Brien Hallett/ACT/AEC on 26/08/2003 05:13 PM -----



Brien Hallett
26/08/2003 04:58 PM

To: Executive/CO
cc: Phil Diak/ACT/AEC@AEC, Bernadette O'Meara/ACT/AEC@AEC, Brad Edgman/ACT/AEC@AEC,
Karen Holas/ACT/AEC@AEC, Kathy Mitchell/ACT/AEC@AEC, David Farrell/NSW/AEC@AEC, Anne
Bright/QLD/AEC@AEC, Paul Anderson/ACT/AEC@AEC

Subject: Re: Request from re Outstanding Senate Estimates Question

Colleagues
Had a similar call also from (here in the press gallery).

Have told both that we are currently doing a file search to see if that Q has been answered but don't expect an answer tonight.

BH
Doug Orr



Doug Orr
26/08/2003 03:51 PM

To: Brien Hallett/ACT/AEC@AEC
cc:

Subject: Request from re Outstanding Senate Estimates Question

Could you touch base with

----- Forwarded by Doug Orr/ACT/AEC on 26/08/2003 03:57 PM -----



Karen Holas
26/08/2003 03:41 PM

To: Kathy Mitchell/ACT/AEC@AEC
cc: Doug Orr/ACT/AEC@AEC

Subject: Request from re Outstanding Senate Estimates Question

from phoned today asking the following:

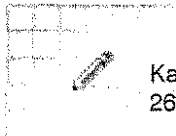
Senator Faulkner asked a question on Notice at the May 2002 Senate Estimates Hearings regarding whether there were any F& D guidelines on Fighting Funds set up by people (ie Tony Abbott) to

persue Pauline Hanson.

Has there been a response and if so what was it?

Can you give her a callon

Karen H



Karen Holas
26/08/2003 10:57 AM

To: Kathy Mitchell/ACT/AEC@AEC
cc:

Subject: HANSON APPEAL RE ALLEGED INTERFERENCE BY TONY ABBOTT

Kath,

As dicussed set out below is a summary of key points for possible inclusion in PPQ or Min Brief on this matter.

1. Lawyers for Pauline Hanson will reportedly use alleged interference by federal Workplace Relations Minister Tony Abbott in the One Nation fraud case as part of their appeal against her three year jail sentence.
2. The Australian newspapaer said that one of the grounds for appeal cited by Hanson's lawyer Chris Nyst was "the interference by political identities of powerr and influence" in the case.
3. Tony Abbott was noted as one of several politicians who were involved, along with (former National Party Leader) Tim Fischer, (National Party Senate Leader) Ron Boswell and (former National Party senator) Bill O'Chee.
4. Mr Nyst said he would be arguing for a permanent stay of proceedings agains Hanson on the basis that she was unable to get a proper trial.
 - He would be basing this argument on the amount of publicity surrounding both the fraud case and another case due to come before the Brisbane Magistrates Court concerning the alleged theft of money fromt the One Nation Fighting Fund.

A Current Affair Program also ran an interview with David Oldfield regarding the matter in which he stated that he thought Ms Hanson and Mr Ettridge did not intentionally set out to defraud the government.

PSS - we may get questions regarding whether the Federal Registration of PHON was legal - so you may want to consider this aspect in any response.

Karen H