

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

Finance and Deregulation Portfolio

Department/Agency: Australian Electoral Commission

Outcome/Program: Outcome 1

Topic: Allegations concerning the Member for Dobell

Senator: Ryan

Question reference number: F57

Type of question: Written

Date set by the committee for the return of answer: Friday, 2 December 2011

Number of pages: 3

Question:

At a recent hearing of the Joint Standing Committee on Electoral matters (21 September 2011) Mr Paul Pirani indicated he was unaware of an article in the Sydney Morning Herald in May 2009 outlining particular allegations against the member for Dobell (transcript below):

Mrs BRONWYN BISHOP: Going back to 8 May 2009, there was the article 'Commission not told of spending on MP's campaign', a report in the Sydney Morning Herald that showed allegations that the HSU spent \$53,000 on Mr Thomson's campaign for Dobell, which included—and this is very important—payments to The Entrance Print from May to November 2007 totalling \$12,647, which was made on Craig Thomson's MasterCard and paid for, as we know, by the HSU.

Mr Pirani: What was that date again?

Mrs BRONWYN BISHOP: This is 8 May 2009.

Mr Pirani: I am certainly not aware of any article of that date that referred specifically to that printing expense.

This article specified in detail that a number of election expenses had been paid by or on behalf of Mr Thomson, specifically:

- \$12,647 to The Entrance Print from May to November 2007, made on Mr Thomson's Mastercard.
- \$7,253.17 to Australia Post in July 2007, made by electronic funds transfer from the HSU's SGE Credit Union account.
- \$2,739 to Nova Radio on 12 October 2007, made on Mr Thomson's Union Mastercard.
- \$14,647.60 to Central Coast Radio on 12 November 2007, made by the HSU by electronic funds transfer.
- \$7,900 to Cumberland Newspapers in 2006, made on a HSU National Office Diner's Club Card.

a) Have you considered the allegations outlined in this article since the hearing?

- b) How can the AEC justify not having seen a copy of this article, despite promising to keep a “watching brief” on the Craig Thomson matter on 10 April 2009?
- c) How has the AEC altered its internal procedures given this failure to notice a prominent article in one of the major daily newspapers?

Answer:

The transcript of the Joint Standing Committee on Electoral Matters (JSCEM) for the hearing of 21 September 2011 also had the following exchange at page 14:

***Mrs BRONWYN BISHOP:** I want you confirm this one more time for me, Mr Pirani. I am going to give you a copy of this article. You tell me that you have never seen it and you were unaware of it. Can you confirm that it did not spike in your mind that this was reasonable grounds to take a look at this?*

***Mr Pirani:** There were three articles from Mark Davis plus an editorial from the Sydney Morning Herald that I considered. I will have to take on notice whether this was one of the articles that I considered in the material that I examined.*

The AEC responded to this matter that was taken on notice in a response to the JSCEM dated 21 October 2011 which included the following information:

“The AEC is and was aware of the article by Mr Mark Davis that was printed in the Sydney Morning Herald (SMH) on 8 May 2009. However, the electronic version of the article on the AEC files did not contain any legible copy of a photograph of a credit card statement or other original document. The article by Mr Davis included the statement that acknowledged that some of the expenditure that was apparently evidenced by documents in the possession of the SMH showed that “some of the funds were used on the Your Rights at Work campaign and some on Mr Thomson’s election campaign”. The apparent addressing of the invoices did not change the position of the facts available to the AEC as Mr Thomson still held the position of being the National President of the HSU and did not formally resign from this position until 14 December 2007 despite having announced his candidacy in April 2007.

The AEC is also aware that Mr Thomson issued a media release on 10 February 2010 and made a statement to the House of Representative on the same date (House of Representatives Hansard 10 February 2010 page 913) stating that:

“My responsibility for disclosure of HSU donations to candidates at the last federal election ceased when I took leave approximately 6 weeks prior to the election.”

Accordingly, it was apparent that Mr Thomson had “two hats” immediately prior to the announcement of the 24 November 2007 federal election. One as the National Secretary of the HSU – the other as the Labor candidate for the Division of Dobell. As there was no material or facts in the article which pointed to exactly what was the subject or content of the advertisements or the mail out, there was insufficient material to enable the authorised officer to be satisfied that there were reasonable grounds to issue a subsection 316(3) notice.

A further issue that was considered was the requirements of sections 304 and 309 which only require a candidate to disclose “electoral expenditure” “during the disclosure period for the election”. The “disclosure period” is defined in subsection 287(1) of the Electoral Act and for the circumstances of Mr Thomson paragraph (c) of this definition applied. The AEC understands that the Labor Party announced Mr Thomson’s candidacy in April 2007. Accordingly the “disclosure period” commenced in April 2007. Therefore amounts of expenditure incurred before this date would not have been required to have been disclosed by Mr Thomson as a candidate or by his agent in the candidate’s return that was lodged with the AEC on 28 February 2008.”

The matters raised in the Sydney Morning Herald article were also the subject of further questions at the JSCEM hearing of 1 November 2011, particularly at pages 5 and 6 of the transcript. Given the additional information that was given by the AEC in response to the question on notice taken from the JSCEM hearing of 21 September 2011, the questions asked by Senator Ryan either do not arise or have been answered in the JSCEM hearing of 1 November 2011.