

POLITICAL FINANCE Annual Report

Report on the operation of Part VI of
the *Electoral Act 1907* for the period
ended 30 June 2002



WESTERN AUSTRALIAN Electoral Commission

Hon J A McGinty MLA
Attorney General
Minister for Electoral Affairs
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Dear Minister

In accordance with section 175ZG of the *Electoral Act 1907*, I submit for your information and presentation to Parliament the report on the operation of Part VI of the *Electoral Act 1907* for the period 1 July 2001 to 30 June 2002.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Lyn Auld'.

Lyn Auld
ELECTORAL COMMISSIONER

26 June 2003

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1. BACKGROUND

This is the sixth report since the political finance legislation came into force in Western Australia on 9 November 1996. Under the provisions of Part VI of the *Electoral Act 1907*, all political parties, associated entities, individual candidates, Legislative Council groups and other persons are required to provide the Electoral Commissioner with details of gifts and/or income received and expenditure incurred for electoral or political purposes.

This report relates to the operation of Part VI of the Act over the 2001–2002 financial year. It provides information on the annual returns lodged by political parties and associated entities for this period, in addition to election returns submitted for the Nedlands and Merredin by-elections, held in June and November 2001 respectively.

The 2001–2002 Political Finance Disclosure Schedule, which highlights key disclosure dates during the period, is included in Appendix 1.

1.1 Essential Features of the Political Finance Legislation

Agents

All political parties must appoint an agent for disclosure purposes. Party agents, who must register with the Electoral Commissioner, assume responsibility for lodging disclosure returns. At an election, candidates and non-party groups may appoint an agent to act for them or accept responsibility for compliance with the Act. A separate agent appointment is required for each election for both candidates and non-party groups. Appointments must be made before 6.00 pm on the day before polling day in the election.

The financial controller of an associated entity is considered to be its agent.

Gifts

Acceptance of donations from unidentified persons or sources equal to or more than the specified amount of \$1,600 is prohibited under the Act. Gifts of \$1,600 or more must include the name and address of the person who made the gift. Under section 175R(5) of the Act, anonymous donations above the specified amount are payable to, or may be recoverable by, the State. In accordance with regulation 3 of the *Electoral (Political Finance) Regulations 1996*, the current specified amount of \$1,600 will be reviewed after the next State general election, due by May 2005.



Annual Returns

All political parties (whether registered or not) and their associated entities are required to lodge an annual (financial year) return by 30 November, disclosing all gifts and other income received for the previous financial year.

Election-related Returns

After an election, all parties, candidates, groups and other persons are required to send an election return to the Electoral Commissioner within 15 weeks after polling day. There are different disclosure periods for each category.

Political parties are required to disclose only expenditure incurred in an election, as they disclose all gifts and other income in their annual returns. Associated entities are not required to disclose expenditure incurred in an election.

Candidates are required to disclose all gifts received and expenditure incurred during the disclosure period for the election, which ends 30 days after the current election and:

- if the candidate was a candidate in a previous election (in the last five years), it commences 30 days after polling day in the previous election in which they were a candidate
- for new and other candidates, it commences one year before the day of nomination in the present election.

Groups must submit a return disclosing all gifts received and expenditure incurred between the hour of nomination and 30 days after the current election.

Persons other than political parties, associated entities, candidates and groups who incur expenditure for political purposes must disclose all gifts received from 30 days after polling day in the last preceding general election to 30 days after the current election. Relevant details of gifts that are expended partially or wholly for political purposes must be provided if the gift equals or exceeds the threshold of \$1,600. In addition, if the total amount of electoral expenditure exceeds \$500, a return is required to be completed disclosing that expenditure. Other persons may include interest groups, lobby groups, welfare groups, unions and associations.



1.2 Records to be Kept

Under the *Electoral (Political Finance) Regulations 1996*, agents of political parties, candidates and groups must maintain:

- a receipt book, for recording receipts of money
- an acknowledgment book, for recording gifts other than money
- bank and financial institution statements
- an expenditure book.

The financial controller of an associated entity must keep all of the above except for an expenditure book.

Other people who incur expenditure for political purposes must keep a record of all gifts received for political purposes and maintain:

- a receipt book
- an acknowledgment book
- bank and financial institution statements.

People who incur electoral expenditure must also maintain:

- an expenditure book
- bank and financial institution statements.

All records and bank and financial institution statements must be retained for six years.

In November 2000, the *Electoral (Political Finance) Regulations 1996* were modified to allow candidates and groups to use a computerised accounting system to keep a receipt book, acknowledgment book and expenditure book.

1.3 Role of the Western Australian Electoral Commissioner

The Electoral Commissioner is responsible for maintaining a register of political party agents and obtaining the relevant information from parties, associated entities, candidates, groups and other persons through annual and election-related disclosure returns. The Commissioner is empowered to check all returns, obtain any information relevant to disclosure requirements, and to interview people and scrutinise bank or other financial accounts where donations are deposited.



The Electoral Commissioner also prepares an annual report on the operation of Part VI of the Act in relation to the previous financial year. This is submitted to the Minister for Electoral Affairs, who tables the report in Parliament.

2. 2001–2002 ANNUAL RETURNS

Annual return forms were sent to political parties in August 2002. Parties were also requested to advise their associated entities to complete the necessary disclosure returns. Returns were due by 30 November 2002. A total of 17 political parties and four associated entities lodged disclosure returns for the period. This compares with 22 political parties and five associated entities lodging disclosure returns for the 2000–2001 financial period. Data provided in the 2001–2002 returns is included as Appendices 2, 3, 6 and 7 of this report.

3. BY-ELECTION RETURNS

2001 Nedlands By-Election

A by-election was conducted for the State Electoral District of Nedlands on 9 June 2001. Eight candidates nominated to contest the election: five were endorsed by registered political parties and three were independents. The disclosure period ended 30 days after polling day, which was 9 July 2001. Election returns were due within 15 weeks of polling day, which was by 22 September 2001. Data provided in the party and candidate returns is included in Appendix 4.

2001 Merredin By-Election

A by-election was conducted for the State Electoral District of Merredin on 24 November 2001. Five party-endorsed candidates nominated to contest the election. The disclosure period ended 30 days after polling day, which was 24 December 2001. Election returns were due within 15 weeks of polling day, which was by 9 March 2002. Data provided in these returns is included in Appendix 5 of this report.

4. AUDIT OF RETURNS

The Act provides for the Electoral Commissioner to authorise officers to investigate returns required under Part VI. In order to avoid duplication of effort, a coordinated audit approach was again arranged with the Australian Electoral Commission (AEC), as political parties required to lodge Commonwealth returns may lodge those same returns to comply with the requirements of the *Electoral Act 1907*. The



AEC will audit the 2001–2002 Commonwealth annual disclosure returns of six Western Australian-based parties and two associated entities who have prepared Commonwealth returns, to check their compliance with the disclosure provisions of the *Commonwealth Electoral Act 1918*. A summary of the findings from these audits will be provided to the WAEC.

The Commission also employed an independent auditing firm, Price & Newman, to audit the returns from a selection of political parties not audited by the AEC. One of the Commission's staff and the principal auditor made the selection on the basis of getting an appropriate spread from the remainder of political parties and associated entities. The decision to choose certain parties and associated entities was based on previous audits, those disclosing significant donations and income, and those submitting a nil return.

The audit results indicated a high level of compliance with the requirements of the Act and Regulations and no instances of deliberate misrepresentation were found.

5. ACCESS TO RETURNS

The Western Australian Electoral Commission maintains copies of each political finance return. In accordance with section 175ZC of the Act, members of the public may view or obtain copies of returns, which are available four weeks after the end of the lodgement period. Nedlands election-related returns were made available to the public on 22 October 2001, while returns from the Merredin by-election were publicly available from 8 April 2002. Annual returns for the 2001–2002 financial year were made available on 2 January 2003. Annual returns of political parties and associated entities lodging a Commonwealth return with the Western Australian Electoral Commission can be viewed on the Australian Electoral Commission's website at www.aec.gov.au.

6. SECTION 175ZE OF THE *ELECTORAL ACT 1907*

Public agencies required to publish an annual report under the *Financial Administration and Audit Act 1985* or any other written law are required to include a statement in the report of all expenditure incurred by or on behalf of the public agency during the reporting period in relation to:

- advertising agencies
- market research organisations
- polling organisations
- direct mail organisations



- media advertising organisations.

This statement must detail the total amount of the expenditure, the amount of expenditure for each heading listed above, and the name of each person, agency or organisation to whom an amount was paid. No details are required if the amount of expenditure under a heading is less than \$1,600, although a 'nil' statement is still required to be published.

For more details on reporting under section 175ZE of the *Electoral Act 1907*, see 'Advertising and Sponsorship' in the *Annual Report Framework* located at the Department of the Premier and Cabinet's Reporting Requirements Web Service at www.reporting.dpc.wa.gov.au.

7. PUBLICATIONS

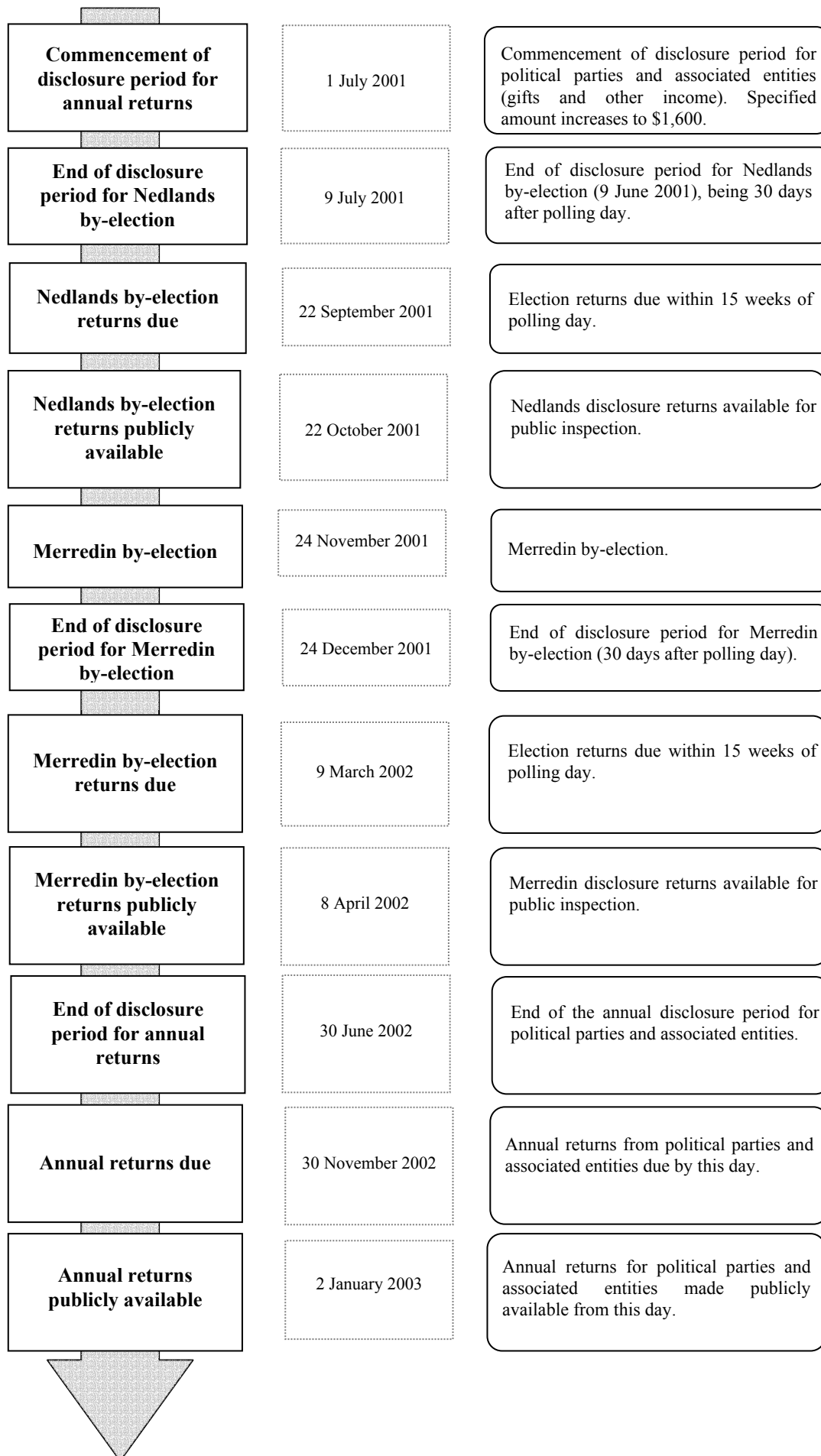
The Electoral Commission has produced *Guidelines for the Disclosure of Gifts, Income and Electoral Expenditure*: one version for candidates and groups, and another for political parties, associated entities and other persons. These outline the purpose of the political finance legislation and the implications for persons involved in the electoral process. A copy of the guidelines is sent out to relevant persons at the end of each disclosure period together with a copy of the appropriate disclosure return(s). Copies of the guidelines and disclosure returns are also available from the Western Australian Electoral Commission on request.

APPENDICES



Appendix 1

POLITICAL FINANCE DISCLOSURE SCHEDULE





Appendix 2

SUMMARY OF GIFTS AND OTHER INCOME RECEIVED BY EACH POLITICAL PARTY

Political Party	Total Gifts \$1,600 or more \$	Total Gifts & Other Income 2001/2002 \$
Australia First Party (WA)	0	70
Australian Democrats	135,570	179,295
Australian Democrats (WA) Div Inc.	28,000	28,625
Australian Labor Party (WA Branch)**	479,880	2,015,788
Christian Democratic Party WA	6,500	20,221
Citizens Electoral Council	0	0
City Country Alliance WA	0	0
Curtin Labor Alliance	0	1,560
Liberal Party of Australia (WA Division) Inc.**	648,669	4,026,642
liberals for forests**	0	4,175
Modern Alliance Party Inc.	0	201
National Party of Australia (WA) Inc.**	150,490	427,336
Pauline Hanson's One Nation Party	0	31,853
Progressive Labour Party	0	65
Taxi Operators Political Service (WA)	0	0
The Greens (WA) Inc.	30,810	473,339
Unity Party WA	0	3,150
Western Australian Senior's Party Inc.	*	*

*No return received.

** Returns based on Commonwealth specified amount of \$1,500.

Bolded entries indicate registered political parties.

Note: Where political parties have lodged Commonwealth returns in compliance with the *Electoral Act 1907*, the amounts may include receipts from organisations as well as amounts from donors



Appendix 3

SUMMARY OF GIFTS AND OTHER INCOME RECEIVED BY EACH ASSOCIATED ENTITY*

Associated Entity	Political Party	Total of Gifts \$1,600 or more \$	Total Gifts & Other Income 2001/2002 \$
Liberal Party of Western Australia Pty Ltd**	Liberal Party of Australia (WA Division) Inc.	0	37,931
NPA Foundation**	National Party of Australia (WA) Inc.	23,230	24,265
Perth Trades Hall Inc.**	Australian Labor Party (WA Branch)	0	250,901
The 500 Club**	Liberal Party of Australia (WA Division) Inc.	2,500	460,490

* Associated Entities are not required to disclose expenditure incurred in an election.

** Returns based on Commonwealth specified amount of \$1,500.

Note: Where associated entities have lodged Commonwealth returns in compliance with the *Electoral Act 1907*, the amounts may include receipts from organisations as well as amounts from donors.



Appendix 4

NEDLANDS BY-ELECTION – SUMMARY OF GIFTS RECEIVED AND EXPENDITURE INCURRED BY EACH CANDIDATE AND PARTY EXPENDITURE

Ballot Paper Name	Party	Total Gifts \$1,500* or more	Total Gifts 2001/2002	Total Expenditure (Candidate)	Total Expenditure (Party)
		\$	\$	\$	\$
Ash, Frank	IND	0	0	1,261	-
Buckle, Ashley	DEM	0	0	0	1,220
Collin, Robin	IND	0	0	32,582	-
Corrigan, Simon	ALP	0	0	0	8,224
Edgar, Bill	PHO	0	0	3,000	440
McDonald, Karen	IND	0	0	1,559	-
Walker, Steve	GRN	0	0	30	2,779
Walker, Sue	LIB	0	0	0	42,022

*The specified amount was increased from \$1,500 to \$1,600 from 1 July 2001. As the Nedlands by-election was held on 9 June 2001, the previous specified amount of \$1,500 still applied for this election.

Appendix 5

MERREDIN BY-ELECTION – SUMMARY OF GIFTS RECEIVED AND EXPENDITURE INCURRED BY EACH CANDIDATE AND PARTY EXPENDITURE

Ballot Paper Name	Party	Total Gifts \$1,600 or more	Total Gifts 2001/2002	Total Expenditure (Candidate)	Total Expenditure (Party)
		\$	\$	\$	\$
Burges, Joanne	LIB	0	0	0	21,933
Falls, Jamie	PHO	0	0	13,700	10,192
Grylls, Brendon	NP	0	0	0	23,130
Meotti, Jason	DEM	0	50	0	926
West, Darren	ALP	0	0	0	5,387



Appendix 6

GIFTS \$1,600 OR GREATER RECEIVED BY POLITICAL PARTIES

Names in the following table are in the same format as provided by the respective political parties.

Political Party	Name*	For 2001/02 \$
Australian Democrats	Australian Hotels Association	10,800
	Australian Democrats	57,770
	Distilled Spirits Ind.	15,000
	Max Multimedia Ltd	10,000
	Metcash Trading	20,000
	CSR	2,000
	Australia Asia Pacific Wholesalers	5,000
	Lipple Family Trust	15,000
	Total	135,570
	Australian Democrats (WA) Division Inc.	David Churches
Australian Labor Party	AMP Limited	4,000
	AHLMWU (WA Branch)	13,500
	AHLMWU (NT Branch)	3,000
	AHLMWU (National Council)	5,000
	AlintaGas Limited	10,000
	AMWU	7,738
	Ardross Estates Pty Ltd	3,500
	Australand Holdings	3,500
	Mr AP Barton	3,000
	Boral Limited	2,500
	Mrs MF Boucaut	5,000
	Brown & Root	5,000
	Burswood Nominees Pty Ltd	18,000
	Hon Kim Chance MLC	3,000
	Mr MS Chew	15,000
	CEPU (T & S)	3,000
	CEPU (Vic Communications Division)	4,200
	CFMEU (NSW Branch)	5,000
	Clough Ltd	5,000
	Mr MJ Cohen	1,500
	Colibri Pty Ltd	7,500
	Sen. Peter Cook	3,000
	Craigewell Pty Ltd	5,000
	MG Creasy	5,000
	EDL Group	5,000
	Emily's List	3,000
	Fremantle Port Committee Defence Fund	2,000
	The Gandel Group	5,000
	Ginza Pty Ltd	15,000
	Grape Expectations Investments Pty Ltd	3,300
Great Southern Plantations Ltd	10,000	



Political Party	Name*	For 2001/02 \$
Australian Labor Party (cont'd)	The Griffin Coal Mining Pty Ltd	2,000
	Mr Peter Hall & Ms Jennifer Mellet	20,000
	Mr Geoff Hill	3,000
	JLV Industries Pty Ltd	5,000
	Landlift Pty Ltd	10,000
	Mr Grant Latta	5,000
	Mr Simon Lee	8,000
	Lewiac Pty Ltd (Lewis Land & ING)	2,500
	Lion Nathan Australia Pty Ltd	10,000
	Magid	2,000
	Marta Fishing Company	2,000
	Maritime Union of Australia	2,000
	New Fishing Australia Ltd	2,000
	Mr Paari Vaal	20,000
	Mr Ashok Parekh	2,000
	Pharmacy Guild of Australia	5,000
	Philip Morris Corporate Services Inc	5,000
	Mr Mark Pendlebury	1,807
	Perron Group Trust	2,000
	Publishing & Broadcasting Ltd	25,000
	Randwick Labor Club	5,000
	Mr Peter Redlich	2,000
	Mr Des Rothe	2,500
	Salomon Smith Barney	20,000
	S & L Same	7,000
	Sanur Pty Ltd	30,000
	Seacrest Asset P/L	5,000
	SDAEA of WA	3,000
	Mr Stephen Smith	1,835
	Stockland Trust	5,000
	Stezelecki Holdings P/L	10,000
	Tenix Pty Limited	2,000
	Theiss Pty Limited	10,000
	Transport Workers Union	15,000
	Vietnam Industrial Investments Ltd	13,000
	Wesfarmers Limited	10,000
Westralian Airports Corporation	15,000	
Worley Limited	5,000	
	Total	479,880
Christian Democratic Party WA	Nat. Civic Council	2,500
	E Pearce	2,000
	A McNabb	2,000
	Total	6,500
Liberal Party	AMP Services Limited	4,000
	Anaconda Nickel Ltd	5,000
	Ardross Estates Pty Ltd	3,500
	Austal Ships Pty Ltd	7,000
	Australand Holdings	1,500



Political Party	Name*	For 2001/02 \$
Liberal Party (cont'd)	Avdant Investments Pty Ltd	4,000
	Boral Ltd	2,500
	Brown & Root Services Asia Pacific	5,000
	Burswood International Resort	15,000
	Cleveland Nominees Pty Ltd	2,000
	Clough Limited	12,000
	Coles Myer Ltd	3,000
	Colibri Pty Ltd	5,000
	Consolidated Minerals	2,000
	Coogee Chemicals Pty Ltd	1,500
	Cotswold Investments	6,500
	Coventry Group Ltd	5,000
	Cowden Limited	3,000
	Furama Pty Ltd	147,194
	Giacci Bros Pty Ltd	2,000
	Graeme Harris Guns	3,433
	Great Southern Plantations Ltd	10,000
	Hancock Corporate & Investment	1,800
	Highway Construction Pty Ltd	6,360
	International Financing & Investment	5,000
	J Corp Pty Ltd	5,000
	Jb Investment Trust	3,000
	Jmb Pty Ltd	2,000
	Jostex Pty Ltd	5,000
	Kailis MG Exports Pty Ltd	5,000
	Killen Nominees Pty Ltd	2,750
	LPR Taylor & Associates Pty Ltd	12,846
	Lasata Pty Ltd	2,500
	Latitude Fisheries Pty Ltd	2,000
	Leighton Contractors Pty Ltd	5,000
	Macdougall Reprographics	5,000
	Major Holdings Pty Ltd	3,000
	Mermaid Marine Vessel Operation	4,000
	Mills & Ware Holdings Pty Ltd	3,000
	Moore R Engines Pty Ltd	7,200
	Motor Trades Association	1,540
	Msc Australia Pty Ltd	5,000
	Mulloway Pty Ltd	5,000
	Multiplex Constructions Pty Ltd	5,000
	Newfishing Australia Pty Ltd	7,000
	Offa Pty Ltd	15,000
	Paterson Ord Minnett Ltd	2,000
	Perron Group Trust	20,000
	Philip Morris Ltd	5,000
	Phs Pty Ltd	6,000
	Pindan Constructions	5,000
	Ray White	4,799
Raylan Pty Ltd	2,000	
Satterley Property Group	3,000	
Scientific Services Limited	1,500	



Political Party	Name*	For 2001/02 \$
Liberal Party (cont'd)	Sp Management P/L	1,500
	Spectator Investments Pty Ltd	3,000
	Stefanelli Management	1,500
	Strategic Marine Pty Ltd	4,000
	Swan Chamber of Commerce	3,064
	The 500 Club	51,364
	The Griffin Coal Mining Company	10,000
	Titan Resources NL	2,500
	Wallace I & Associates Pty Ltd	2,000
	Weebin Pty Ltd	2,000
	Wesfarmers Ltd	10,000
	West Oil NL	2,000
	West Perth Leasing Pty Ltd	5,000
	Western Mining Corporation Limited	10,000
	Western Plaza Hotel Corporation	5,000
	Westralia Airports Corporation	10,000
	Whitings Chartered Accountants	10,000
	Willowood Holdings Pty Ltd	2,000
	Worley Pty Ltd	5,000
	Wyllie Group Pty Ltd	4,000
	Yanchep Sun City	2,000
	Mr Clive Hartz	2,300
	Mr Peter Olsen	2,100
	Mr Fogarty	2,000
	Mr John Forehan	2,500
	Mr Yaser Meshal	5,000
	Mr & Mrs Naughton	5,000
	Miss Marylyn New	5,000
	Mr Parker	25,000
	Mr Singh	5,000
	Mr Darryl Smalley	1,500
	Mr Michael Wright	2,500
	Mr Michael Cohen	2,000
	Dr Familton	2,119
	Mr Trevor Kitcher	1,500
	Dr Wally Knezevic	5,000
	Mr Yaser Meshal	1,500
	Mr John Cruickshank	2,400
	Dr Krone	5,000
	Mr & Mrs Willy Packer	3,000
Mrs M Court	1,800	
Mrs M Anderton	2,100	
	Total	648,669
National Party	Ardross Estates	1,500
	Austal Ships	3,000
	Centamare Pty Limited	2,000
	Chan, John	2,000
	Clough Engineering Limited	2,000
	Consolidated Minerals Limited	12,000



Political Party	Name*	For 2001/02 \$
National Party (cont'd)	Coventry Group Limited	2,500
	Epic Energy	10,000
	Grape Expectations	3,500
	Great Southern Plantations	10,000
	JJ McDonald & Sons	4,500
	JLV Industries	5,000
	Kwok, Roger	2,500
	Boswell, Senator the Hon. Ron	10,000
	MG Kailis Group of Companies	5,000
	National Party of Australia	12,500
	Newfishing Australia Pty Limited	5,000
	Parliamentary National Party	7,200
	Pilbara Chrome Pty Limited	10,000
	Pilbara Manganese Pty Limited	10,000
	Tenix Pty Limited	2,000
	The 500 Club	3,790
	The Perron Group Trust	2,000
	Wesfarmers Limited	10,000
	Westralia Airports Corporation	10,000
	Wu, Wilson	2,500
	Total	150,490
The Greens (WA) Inc.	Greble, Ruth	22,590
	Major, David	3,200
	Trevelyan, Jo	5,020
		Total

*Where political parties have lodged Commonwealth returns in compliance with the *Electoral Act 1907*, the amounts may include receipts from organisations as well as amounts from donors.

Appendix 7

GIFTS \$1,600 OR GREATER RECEIVED BY ASSOCIATED ENTITIES

Names in the following table are in the same format as provided by the respective associated entities.

Associated Entity	Name	For 2001/02 \$
NPA Foundation	Challenge Bank	23,230
The 500 Club	Michael Wright	2,500

Note: Where associated entities have lodged Commonwealth returns in compliance with the *Electoral Act 1907* the amounts may include receipts from organisations as well as amounts from donors.

