

The Greens NSW

Level 1, 275 Broadway, Glebe NSW 2037
PO Box 48, Broadway NSW 2007

02 9045 6999
<https://nsw.greens.org.au/>



10th February, 2020

Mr Lee Evans MP,
Chair, Joint Standing Committee on Electoral Matters
Parliament of New South Wales

Dear Mr Evans,

At the public hearing on 18th November 2019 we took two questions on notice as follows and noted that we wished to make a small amendment to our submission to remove a redundant recommendation at section 16 on page 14 of the submission relating to the claimability of audit costs. An amended version of the submission is included with this letter.

The first question on notice was about disclosure of small expense items (eg social media ads):

The Hon. BEN FRANKLIN: Understood. One of the other political parties today suggested that when putting in this claim, the only thing you should need to vouch for are those items worth over \$100. Anything below \$100 could potentially be randomly sampled or whatever. It particularly noted these tiny social media bills of only a few cents sometimes. Is that something that you would support?

Ms EUGSTER: It is a complex situation because The Greens are in support of full disclosure and visibility over electoral expenditure, campaigning and fundraising. We also note the compliance burden and it is something we need to consider properly as a party. We would like to provide a written submission to the Committee further to that.

The Hon. BEN FRANKLIN: Sure. If you would like to take that on notice that is no problem.

Ms EUGSTER: Thank you.

Mr MALTBY: That wraps into our earlier statement because it is largely on social media that these very small expenditures are being incurred. The more you closely target individual online advertisements, the larger the number of items that you have to disclose. If you are doing a targeted advertisement in a small area on a particular issue, you might spend \$20 on it. The more of those you do, the larger the compliance burden becomes. But we do not want to lose the visibility into that stuff.

The Greens NSW support the simplification of the claim process as suggested with the proviso that each expense item is listed in the return with some detail and the NSW Electoral Commission has the option to query any item and require the usual vouching. We also agree with the proposed threshold of \$100.

We note a possible issue with invoices for social media (for example) where the aggregate of the invoice is more than \$100, but the individual line items (ads) are for amounts less than \$100.

Would the threshold apply to each line item or the invoice? If it was the invoice, then the full vouching of each item would be required which might defeat the intent of the proposed simplification.

As we mentioned at the hearing, allowing the detail to be submitted online rather than in printed form would assist with these kinds of disclosures, and that we were generally in favour of full disclosure.

The second question on notice related to the disclosure of donors who may make multiple small donations at fundraisers who may ultimately reach the disclosure threshold of \$1,000. (s57 of the Electoral Funding Act 2018).

The Hon. BEN FRANKLIN: I apologise if I have raised this before about raising the threshold of exception for aggregation for small donations, which I have raised with other witnesses. I do not think I have raised it with you yet, but if you would like to make a response to it now about whether you think that suggestion about raising that aggregation level from \$50 to \$100 is acceptable and something The Greens would support or if you would like to take that on notice and address that in your other concerns as well, that would be fine.

Ms EUGSTER: Thank you, Mr Franklin. We will take that on notice but I guess we point to our earlier submissions that there is a balance to be had between compliance, which we submit is absolutely critical to the integrity of this system and also the administrative burden on our finance and compliance teams. We particularly make the point that for small parties that are not well heeled, such as us, it is a significant compliance burden that is higher than what the other parties experience.

The Hon. BEN FRANKLIN: I guess that is the specific question I am asking on notice: Where is that balance for The Greens?

The Greens would be comfortable with the suggestion, noting the link with the \$100 limit that applies to cash donations.

Yours faithfully,

A black rectangular redaction box covering the signature of Chris Maltby.

Chris Maltby
Registered Officer
The Greens NSW