



Inquiry into Annual and Financial Reports 2023–24

Answer to question taken on notice

Asked by: Ms Leanne Castley MLA

Addressed to: Mr Damian Cantwell AM CSC

In relation to: Prohibited electoral donors

Hearing: 19 February 2025

Uncorrected Proof Transcript pp 4

Transcript provided: 21 February 2025

Answer Due: 28 February 2025

Mr Damian Cantwell AM CSC took on notice the following question(s):

MS CASTLEY: Great. Great. Were you aware that the 1973 Foundation Pty Ltd donated \$750,000 to the ACT Labor Party in 2023-24?

Mr Cantwell: Look, I cannot talk to specifics. I would have to go back to the records of donations and again, promulgated subsequent to the audit of such donations, and their compliance checks and see what was donated at the time.

MS CASTLEY: Are you able to take that on notice?

Mr Cantwell: I will take it on notice, yes, sure. I can give you more specifics.

MS CASTLEY: Thank you. And possibly also this, that the majority of the 1973 Foundation income, as declared by the AEC Transparency Register, comes from investment sale proceeds times two, including via a trust or a rental income, and whether you would consider these type of transactions as that of an organisation that is a close associate of a property developer?

Mr Cantwell: Again, I am happy to take the detailed question on notice and we can duly consider it and make the response that you are asking for.

MS CASTLEY: And I would also like you to just respond whether or not you have undertaken a compliance audit of the 1973 Foundation in the last couple of years.

Mr Cantwell: Yes, we routinely undertake those compliance audits. We are about to commence the compliance audit for all the election returns. That will commence in late March, early April and that will run its course. And cannot really make any comments about the election donations and returns until such time as their compliance audit is complete. But again, I can give further detail or a full considered response in response to a detailed question. I am happy to take that on notice.

MS CASTLEY: Great. Thank you.

Mr Damian Cantwell AM CSC: The answer to the Member's question is as follows:

ACT Labor disclosed a total of \$750,000 in receipts from the 1973 Foundation in the party's 2023/2024 annual return. This information was published on the Elections ACT website on 7 September 2024.

The 1973 Foundation is an associated entity of ACT Labor. That is, they operate, completely or to a significant extent, for the benefit of one or more registered political parties.

The transfer of funds from the 1973 Foundation to ACT Labor, as disclosed in the annual returns of both ACT Labor and the 1973 Foundation, are categorised as a payment from the Associated Entity to the party and is recorded and disclosed as a receipt by ACT Labor.

The *Electoral Act 1992* (the Act) defines a property developer as a corporation that carries on a business involving the residential or commercial development of land to sell or lease for profit. It should be noted that an entity that earns rental income or receives proceeds from the sale of investment properties may not necessarily fall within the legislated definition of a property developer or a close associate of a property developer as prescribed by the Act.

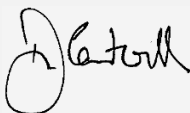
Nevertheless, for an offence to have been committed under the prohibited donor provisions of the Act, the political party must have received a gift from a prohibited donor.

The Electoral Commission has not included the 1973 Foundation in its prohibited donor compliance investigations because the entity has not provided gifts to a political entity, but rather has a history of making payments to ACT Labor.

The 1973 Foundation has of course been included in the regular funding and disclosure compliance reviews as an Associated Entity, ensuring that their disclosed financial information aligns with their actual financial records.

Approved for circulation to the Standing Committee on the Integrity Commission and Statutory Office Holders

Signature:



Date: 27 February 2025

By the ACT Electoral Commissioner, Damian Cantwell AM CSC