

GetUp Submission to the Joint Standing Committee on Electoral Matters inquiry into all aspects of the conduct of the 2016 Federal Election and matters related thereto

6 October 2017

Introduction

This submission is to ensure the Joint Standing Committee on Electoral Matters (JSCEM) has the facts about how GetUp is regulated and funded. In recent times, GetUp has been subjected to a barrage of misleading and false statements. Typically we ignore this, and focus on campaigning for the benefit of everyday Australians. Recently, however, those false claims have been repeated by those in government, including members of this forum, and we feel it's important to take this opportunity to put certain truths on the record.

Setting the record straight

Regulated and transparent

JSCEM's most recent discussion paper into political donations following the 2016 Federal election states that: "Many electoral campaigners fall outside of the Act and are unregulated by the Australian Electoral Commission (AEC)."¹ JSCEM's Chair, Senator Linda Reynolds, was subsequently quoted in the media saying that GetUp and other groups are unregulated by the AEC, raising large amounts of funds that are "not visible to or regulated by the AEC".²

This is incorrect. Third parties that incur political expenditure, including GetUp, are regulated by the Australian Electoral Commission under the *Commonwealth Electoral Act 1918*. Specifically, third parties are required to make annual disclosures of gifts over the threshold amount of \$13,200 and all political expenditure incurred, as well as authorise our political materials. These requirements are not dissimilar to those that apply to political parties and associated entities.

¹ Discussion paper for the inquiry into the conduct of the 2016 federal election: political donations. Published by authority of the Joint Standing Committee on Electoral Matters.
<http://www.aph.gov.au/~media/02%20Parliamentary%20Business/24%20Committees/244%20Joint%20Committees/JSCEM/2016%20Election/discussion%20paper.pdf>

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https://www.theguardian.com/australia-news/2017/sep/07/fears-australias-political-donations-system-is-eroding-faith-in-democracy?CMP=Share_iOSApp_Other

We have sought clarification from JSCEM and the Chair, on 12 and 14 September 2017, as to which organisations, specifically, it regards to be currently unregulated by the AEC and have received no response. Again, we request that JSCEM provide this information.

More broadly, GetUp shares JSCEM’s concerns regarding the lack of transparency around companies and corporate lobby groups that currently wield too much political power, as well as the need for important reforms in political finance, and look forward to JSCEM’s recommendations for meeting these challenges. GetUp’s own recommendations for achieving greater democratic integrity are noted further below.

Funded by Australians

Across GetUp’s 12-year history, more than 99% of our donations have come from local people living here in Australia. Despite this, there has been an unaccountable and growing obsession among certain far-right journalists and politicians over mythical tides of “foreign funding” flowing to GetUp. In order to dispel this on the record, we will be publishing a breakdown of our overseas donation sources in our next annual report and future reports, similar to the one below. The table shows all overseas donations to GetUp campaigns over the course of the organisation’s history.

Although GetUp’s position has long been that we would be happy for any ban on offshore donations to extend to us for all electoral activities, we do not reject wholesale overseas funding flowing to Australian organisations. There’s a legitimate place for overseas philanthropy in funding local charities, advocacy and other public interest organisations. For example, the Great Barrier Reef is of world significance, and it is entirely appropriate that the campaign to protect it receives funding from philanthropic organisations based overseas. We hope any legislation relating to offshore donations to third parties respects this.

Finally, any new reforms – including a ban on foreign donations – must also take into account the fundamental difference between political parties and third party players. Where political parties are directly involved in the legislative and policy-making process, third parties operate outside of formal political channels. Therefore, the influence of parties is far greater, and their corruption risk profile much higher. The need for a strong regulatory and disclosure regime is therefore especially pertinent for political parties, and any reforms designed for political parties must be applied proportionately so as to protect the constitutional right of third parties to have a voice and participate in election campaigns.

YEAR	TOTAL INCOME	DONATION AMOUNT	DONOR	PURPOSE	% OF TOTAL INCOME
2005/2006	542,059				0.00%
2006/2007	1,107,458				0.00%
2007/2008	2,319,752				0.00%
2008/2009	1,673,809				0.00%

2009/2010	2,180,177				0.00%
2010/2011	5,021,604				0.00%
2011/2012	3,675,599				0.00%
2012/2013	3,020,240				0.00%
2013/2014	6,834,506	95,633	Avaaz	Expended during 2013 election	1.40%
2014/2015	10,542,258	99,985	Avaaz	Great Barrier Reef campaigning	0.95%
2015/2016	10,049,568	42,961	Campact	Non-political only	0.43%
2016/2017	8,277,095	73,468	The Oak Foundation and Campact	Non-political only	0.89%
Sub totals	55,244,125	312,047			
Total % of foreign donations ever	0.56%				

False Soros funding claims

George Soros is a US investor who supports a number of progressive causes around the world. This makes him a favourite target for far-right extremists and conspiracy theorists. He's been the target of an anti-semitic campaigns by the Hungarian regime³, American neo-nazis and Trump supporters. Now in Australia he's being attacked by the far-right faction of the Coalition and *The Australian* newspaper. They claim that Mr Soros is in cahoots with international elites to bring down the global currency and that he is trying to control the world's wealth or pushing a global order⁴.

GetUp has never received any donations or funding from Mr Soros, directly or via any other entity, but the hard-right never gets tired of saying so. We've stated this formally to the Joint Standing Committee on Electoral Matters in Parliament. Moreover, if we did receive any major donations from Mr Soros, we would simply report it on our website, as we report any other major donation over the threshold.

³ George Soros upset by 'antisemitic' campaign against him in Hungary
<https://www.theguardian.com/world/2017/jul/12/george-soros-upset-by-anti-semitic-campaign-against-him-in-hungary>

⁴ George Soros is a favourite target of the right -- here's how that happened
<https://www.businessinsider.com.au/how-did-george-soros-become-the-favorite-boogeyman-of-the-right-2017-5?r=US&IR=T>

Brad Norington from *The Australian* recently reported on the Soros funding theory by citing a false Wikipedia entry about GetUp⁵. It would simply be an example of lazy journalism, if it were not more clearly part of a broad ideological attack against GetUp by the paper in recent months, which includes 8 front-page defamatory articles littered with similar errors and false claims.

Foreign donation reform

Scandals affecting both major parties prompted JSCEM to investigate and recommend to Parliament how it can best stop donations to political parties that compromise their independence. Most recently, the warning from ASIO to our politicians was that foreign governments may attempt to buy influence over them through major donations.

GetUp has long supported any laws that reduce the influence of big money in our democracy across the board, and we see the value in preventing foreign government influence over our politicians. However, the solution put forward by JSCEM in March of this year achieves none of these aims. Proposed reforms leave untouched the millions of dollars funnelled into our political system by foreign multinational corporations like Adani, either directly or via organisations such as MCA and BCA. The absurdity of this approach will only serve to reinforce the public's increasingly cynical view of our elected representatives.

How GetUp is funded

Powered by everyday Australians

GetUp is funded by small-dollar donations from everyday Australians. We do not accept money from any political parties or governments. GetUp did, however, receive money from 57,419 individual donors, who together made 491,228 individual donations in the 2016/2017 financial year. 97.6% of these donations were under \$100. Small donations made up 77.25% of GetUp's total revenue.

Raising the bar on transparency

GetUp provides greater transparency on its donations than what is required of it under the Electoral Act. The [statistics on our donations](#) are updated daily on our website, with a snapshot from 27 September 2017, below. Those statistics clearly demonstrate, on an ongoing basis, that GetUp is funded by tens of thousands of Australians chipping in to

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<http://www.theaustralian.com.au/news/inquirer/union-and-labor-party-links-test-getup-independence/news-story/7bc4f82df53d6a4583fec3c2ea4beef0>

support GetUp campaigns.

GetUp by the numbers

Here's a real-time snapshot of what GetUp members are up to:

	Last Day	Last 7 days	Last 30 days	Last 365 days
Donations	1092	11208	44537	515008
Donations Total	\$12258	\$225792	\$805409	\$8654586
Average Donations	\$11	\$20	\$18	\$16
Actions Taken	1506	13470	103336	1645894
New Members	106	1282	8862	131524
Donors	888	8454	16030	45371
First-time Donors	13	580	1676	21820

In a similar fashion, we note that the Australian Conservatives Party, led by Senator Cory Bernardi, recently began disclosing the number of donations received and their average donation size. GetUp publicly congratulated the Senator and his party and we encourage all other political parties to follow their example.

Major donor transparency

The below table contains information about donations during the financial year 2016/2017, that exceed the disclosure amount under the *Commonwealth Electoral Act* (\$13,200).

However, GetUp has also set a voluntary major donor policy which requires even greater transparency. GetUp voluntarily declares all major donations over \$10,000 on our [website](#)⁶ within 30 days of receipt, under the heading 'Donations to GetUp'. Furthermore, GetUp aggregates the total amount donated from a single source for the entire year. The current law only requires that *individual* transactions over the \$13,200 threshold be disclosed. This has led to a practice called 'donation splitting', whereby payments are split into smaller amounts to avoid disclosure obligations. In the extreme, a political party could receive \$13,199 every day of the year, they can also distribute gifts between different party state and territory branches, all from the same donor – and never have to disclose a cent.

⁶ <https://www.getup.org.au/about/powering-getup>

From	State	Donations as disclosable by political parties under the <i>Commonwealth Electoral Act</i>
Karen Loblay	NSW	\$40,000.00 ⁷
LUSH Australasia Retail Pty Limited	NSW	\$21,559.50
LUSH Australasia Retail Pty Limited	NSW	\$15,844.50
Oak Foundation	NC, USA	\$63,693.13
Tony and Maureen Wheeler	VIC	\$240,000.00 ⁸

False claims about GetUp funding model

In the *Australian Financial Review*, senior business lobbyist Andrew Bragg recently suggested that GetUp's \$10 million annual budget reflects control by "big donors." "The closer you get, the stranger it looks," he wrote.⁹ Mr Bragg must not have looked very closely. As stated above, as well as our major donations, GetUp's donation statistics are updated daily on our [website](#). They demonstrate that the millions donated to GetUp each year come from tens of thousands of everyday people, some giving every week or month, others giving occasionally.

In the end, it worked out well for journalism. Inspired by Mr. Bragg's misleading piece, more than 4,500 GetUp members chipped in to fund independent journalist Michael West to investigate the funding of 12 business lobby groups, including Mr. Bragg's own lobby group, the Business Council of Australia (BCA). That research has already revealed that just three business lobby groups, the BCA, the Minerals Council of Australia and the Australian Petroleum Production & Exploration Association, had \$129 million in combined funding to help influence the political agenda over the past 3 years.¹⁰

Mr West is planning to publish a report outlining the financial affairs of the 12 business lobby groups he is investigating. We would be happy to provide JSCEM with a copy when this report is released.

⁷ The total donation amount from Karen Loblay in the financial year 2016/2017 listed on our website is \$53,000, because GetUp's policy is to aggregate the total amount donated from a single source in the entire year, which includes additional donations not required by the *Commonwealth Electoral Act*. For clarity, that \$53,000 includes, and is not in addition to, the \$40,000 listed in this table.

⁸ Contribution to increase capacity to coordinate crucial advocacy to improve outcomes for asylum seekers and refugees.

⁹

<http://www.afr.com/opinion/columnists/andrew-bragg-on-the-web-of-money-and-influence-in-australia-n-leftwing-politics-20170910-gyeljc>

¹⁰ <https://www.michaelwest.com.au/bca-investigation-power-of-the-business-lobby-in-australia/>

Additional financial disclosure

In response to unfounded accusations about GetUp and our funding, we are making an additional financial disclosure here and in our Annual Report for financial year 2016/2017. We hope this greater level of transparency will help provide better insight into GetUp, as well as any dispel false speculation.

The amounts below are approximations, with exact amounts awaiting the finalisation of our audited financial accounts for the 2016/2017 financial year, which will be made available in our annual report.

Total receipts, including gifts-in-kind

Total receipts for the financial year ending 30 June 2017 = approx \$8,500,000.

The value of gifts-in-kind included in total receipts = <\$15,000

Total payments (in aggregate)

Total payments for financial year ending 30 June 2017 = approx \$8,500,000

Total amounts owed as at 30 June 2017 (in aggregate)

Total debts: \$0

Total unpaid bills: approximately \$494,000

As a matter of standard cash-flow management, GetUp pays outstanding bills on or just prior to the due date. Any outstanding invoices as at 30 June 2017 have subsequently been paid as they became due.

Details of outstanding amounts owed over \$13,200 as at 30 June 2017

The below includes all outstanding amounts of more than \$13,200 as at 30 June 2017.

As a matter of standard cash-flow management, GetUp pays outstanding bills on or just prior to the due date. None of the liabilities in the below table were past due as at 30 June 2017 and all have since been paid, on time.

To	Address	Total Amount	Financial or non-financial institution	Description
Australian Associated Press AAP	PO Box 3411 Rhodes Waterside Rhodes NSW 2138	13,332.00	Non-financial institution	Advertising
Australian Taxation Office	1/32 Martin Pl Sydney NSW 2000	85,979.00	Non-financial institution	Standard PAYG Withholding
Benedictus Media Buying and Planning Pty Ltd	PO Box 440 Darlinghurst NSW 1300	26,367.04	Non-financial institution	Advertising

Centre for Australian Progress	103/55 Holt Street Surry Hills NSW 2010	22,000.00	Non-financial institution	Consulting services
Community Shapers Pty Ltd	Civic Square Post Shop PO Box 536 Civic Square ACT 2608	15,544.24	Non-financial institution	Membership communications services
Essential Media Communications Pty Ltd	PO Box 242 Carlton South Vic 3053	22,000.00	Non-financial institution	Communications support and research
Essential Media Communications Pty Ltd	PO Box 242 Carlton South Vic 3053	18,700.00	Non-financial institution	Media and communications support
Green Energy Markets Pty Ltd	2 Domville Ave Hawthorn Vic 3122	17,600.00	Non-financial institution	Market research and analysis
Jones Lang LaSalle (NSW) Pty Ltd	Level 25 420 George St Sydney NSW 2000	54,947.45	Non-financial institution	Office rent
Office of State Revenue	Revenue NSW GPO Box 4042 Sydney NSW 2001	19,432.52	Non-financial institution	Payroll tax
University of Technology Sydney	PO Box 123 Broadway, NSW 2007	22,000.00	Non-financial institution	Commissioned Research

Political donations = \$0

GetUp has never donated to, or received money from, a registered political party. Not in financial year 2016/2017. Not ever.

Details of 'other receipts' received over \$13,200 during the financial year

GetUp already discloses donations of over \$10,000 aggregated over the year within 30 days on our website. Donations over \$13,200 from the financial year 2016/2017 are also provided in the table under 'major donor transparency', above.

The below table contains information about individual amounts received during the financial year 2016/2017, other than donations, that exceed the disclosure threshold amount under the *Commonwealth Electoral Act* (\$13,200).

These 'other receipts' are commercial transactions which include commission on members who have made the switch to Powershop as part of GetUp's Better Power campaign, Business Activity Statement (BAS) refund from the ATO, rent for subleasing some of our office space, and licensing fees for our tech platforms. These amounted to less than 5% of GetUp's income for financial year 2016/2017.

From	Address	Total Amount	Type
Australian Taxation Office	1/32 Martin Pl Sydney NSW 2000	\$43,247.27	BAS refund

Nature Conservation Council of NSW	Level 14, 338 Pitt Street Sydney NSW 2000	\$42,752.86	Rent (office sublease)
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$55,836.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$49,643.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$47,256.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$46,244.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$39,655.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$37,510.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$35,475.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$32,230.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$22,044.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$19,998.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$19,855.00	Commissions
Powershop Australia	Level 15, 357 Collins Street Melbourne VIC 3000	\$18,777.00	Commissions
Purpose	115 Fifth Ave, Fl 6 New York, NY 10003 USA	\$38,515.86	Software licence fee

ASIC filed audited financials

In August 2016, GetUp launched a campaign to stop the sale of the Australian Securities and Investments Commission (ASIC) registry – Australia’s corporate financial database. This campaign was responding to civil society concerns that the sale would have significant negative implications for corporate tax transparency.

The campaign began with a [petition](#) to stop the sale on 21 August 2016, which was ultimately joined by 80,000 GetUp members, thousands of whom went on to [email their MP](#) as well. GetUp joined forces with business journalist, Michael West, to push out a public education campaign and organised 84 journalists from across the country to sign onto an

[Open Letter](#) calling on the government to abandon the sale. This ran as a full page ad in the Canberra Times, funded by the small-dollar donations of GetUp members.

After several weeks of campaigning, on 13 September 2016, the Greens committed to block any privatisation of the ASIC registry. A few days later, the Nick Xenophon Team also committed to oppose the sale in a joint press conference with GetUp. On 19 December 2016, as part of the Mid-Year Economic Fiscal Outlook (MYEFO), the government announced its decision to abandon the sale.

Nevertheless, the Australian Government continues to impose the world's highest fees to access basic corporate data. ASIC charges businesses and individuals over \$50 million each year to search for basic company ownership and financial information. In doing so, our government creates a significant cost barrier to corporate scrutiny.

It is universally acknowledged that freely available public data is of far more economic and social value than data locked-up behind paywalls. Benefits are not limited to more effective scrutiny of corporate affairs and civil society research to inform public policy. Small business and contractors would be able to educate themselves about the financial affairs of corporate customers that they provide goods or services to on credit terms. Employees would be able to freely access the public information about companies they work.

That's why GetUp has made all of our audited Financial Reports as filed with ASIC freely available on our website, so that anyone can review them.

Our most recent audited financial report is here:

https://d68ej2dhub09.cloudfront.net/2223-2016_Financial_Report_-_signed.pdf

All prior year financial reports can be found here, under the heading 'Financial information':

<https://www.getup.org.au/about/powering-getup>

Issues based and fiercely independent

GetUp is an independent campaigning community made up of over one million everyday people working together to build a fair, flourishing and just Australia.

GetUp's activities are directed to issues-based campaigning. GetUp has no political agenda other than the achievement of its progressive policy goals. The core promise of the GetUp movement is that no matter who you are – whether you are a teacher or a nurse, a student or a retiree – you can have a voice in our democracy. And by working with thousands of other everyday people around the country, you can make your voice matter.

We're fiercely independent – we're not linked to any political parties, we don't have or want charity status, and we don't accept any government funding. GetUp does not and has never provided or received funding or donations from any political parties.

Our independence is woven into our DNA – because this movement is powered by hundreds of thousands of amazing Australians who sign up, contact their politicians and chip in to power campaigns.

We believe that political parties, big business or media moguls have no exclusive right to form policies and advocate for issues. In fact, with political parties shackled as they are by patronage, external loyalties and internal dynamics and the revolving door of lobbyists, political parties are often very bad at both. Trust in politics is at an all time low, but the people of Australia are as passionate as ever about the things they care for, value and the changes they want to see.

GetUp sets its agenda with respect to policy positions based on three criteria

1. GetUp's progressive values;
2. support for the campaign among GetUp's members and the broader Australia population; and
3. the strategic analysis of the impact GetUp's campaigns may have on an issue.

GetUp judges parties according to their stance on the issues and policies our members care about, without fear or favour or any predisposition according to political orientation.

GetUp chooses its campaigns and content independently by reference to this internal analysis; our campaigns are not determined by political parties' platforms.

Achieving democratic integrity

Urgent changes are needed to Australia's system of political finance to reduce the influence of corporations and wealthy elites in politics, and safeguard the integrity of our democracy.

Our vision is one in which political ideas succeed or fail on their merits, not on the depth of the pockets of the vested interests backing them in. The GetUp movement believes that a thriving democracy encourages everyday people to work together and participate in the democratic process, to help create the change they want to see.

We were pleased to see the Victorian Government recently announce significant reductions in the amount individuals and corporations are permitted to donate to political parties in any given election cycle. We believe this will serve to reduce the influence of vested interests in Victorian politics. We would encourage the Victorian Government to go even further – and we would encourage both major parties to enact similar policies at the federal level.

GetUp members have developed a five point plan for democratic reform that we submit again for the consideration of JSCEM:

1. **Stop the money game:** cap the amount any individual or corporation can donate at \$1000 per financial year, and introduce expenditure caps on election campaigns to remove incentives to amass huge political fighting funds.
2. **End the shroud of secrecy:** require all donations above \$500 to be publicly disclosed on the internet in real-time, including donations to and from affiliated entities.
3. **A corruption watchdog with teeth:** create an independent federal corruption watchdog with broad investigative powers.
4. **Stop offshore entities buying political influence:** prohibit any foreign owned multinational or entity not registered in Australia, or any individual who doesn't have citizenship or residency, from making donations.
5. **Close the revolving door:** prevent Members of Parliament from engaging in lobbying work for a period of three years after they leave office.