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Australian Government  
Independent Parliamentary  
Expenses Authority

## ASSURANCE REVIEW MEMORANDUM – [2021/02]

The Hon Michael Sukkar MP, Assistant Treasurer, Minister for Housing,  
Minister for Homelessness, Social and Community Housing: Printing Work Expenses

Date: 17 March 2021

To: Marc Roberts

A/g Branch Manager, Transparency, Assurance & Legal

### RECOMMENDATION

It is recommended that you:

1. Accept the matter as closed with no further investigation required.

NOTED & ACCEPTED AS CLOSED

/

PLEASE DISCUSS

Date: 17 March 2021

Marc Roberts

A/g Branch Manager

Transparency, Assurance & Legal Branch

Prepared by:

s 47F

Date: 17 March 2021

s 47F

Assurance Support Officer, Audit & Assurance  
Transparency, Assurance & Legal Branch

Reviewed by:

s 47F

Date: 17 March 2021

s 47F

A/g Director, Audit & Assurance  
Transparency, Assurance & Legal Branch

### SCOPE

2. The scope of the Assurance Review is printed items produced at Commonwealth expense by the Hon Michael Sukkar MP between 1 July 2013 and 30 June 2017.

### PURPOSE

3. The purpose is to assess whether the printed items within the scope of the Assurance Review were in accordance with regulation 3AA of the *Parliamentary Entitlements Regulations 1997* (the Regulations).

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## BACKGROUND

4. The Independent Parliamentary Expenses Authority (IPEA) became aware of an allegation of misuse of work expenses through an article published by the Sydney Morning Herald on 24 August 2020 (<https://www.smh.com.au/national/sukkar-uses-taxpayer-budget-to-employ-friend-who-also-designed-smear-sheets-20200824-p55osu.html>). (Attachment A)
5. On 28 August 2020, IPEA conducted a preliminary assessment into the use of the printing work expense<sup>1</sup> by Mr Sukkar adjacent to the employment of s 47F. Upon investigation it was found that the printing work expense was used to produce the printed items.
6. In September 2020, the Department of Finance (Finance) engaged an independent reviewer to review the media allegations. As stated by Finance:

*The allegations that fell within the scope of the review are those related to:*

  - activities of electorate staff employed under the Members of Parliament (Staff) Act 1984 (MOP(S) Act)
  - non-travel related work expenses claimed under the Parliamentary Business Resources Act 2017 (PBR Act).
7. Further action by IPEA was held over pending finalisation of this review.
8. IPEA was provided with a redacted copy of the report on the review on 20 October 2020. IPEA determined that it would conduct an Assurance Review of Mr Sukkar's use of the printing work expense throughout the relevant period. IPEA examined the printed items produced at Commonwealth expense to determine whether they complied with the Regulations.
9. In accordance with IPEA's protocol on dealing with misuse of parliamentary work expenses, on 26 October 2020, IPEA commenced an Assurance Review into Mr Sukkar's use of the printing work expenses between 1 July 2013 and 30 June 2017.
10. In accordance with section 12 of the *Independent Parliamentary Expenses Authority Act 2017*, IPEA has a number of oversight functions including prepare reports and conduct audits in relation to the use of 'MP work resources'. These include the printing and communication work expense administered by Finance.

## LEGISLATIVE FRAMEWORK

11. The relevant legislative framework is:
  - a. *Parliamentary Entitlements Act 1990*
  - b. *Parliamentary Entitlements Regulations 1997*
    - i. Part 2 – Division 1 – Printing and communications entitlement  
(Attachment B)

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<sup>1</sup> IPEA relevantly considered the printing component of the "printing and communications entitlement" prescribed by regulation 3AA of the Regulations. For the purpose of this Assurance Review, this will be referred to as "the printing work expense".

**ANALYSIS**

12. IPEA conducted an analysis of the printing and communication expenditure of Mr Sukkar and found 105 printed items that were produced at Commonwealth expense between 1 July 2013 and 30 June 2017.
13. For each of the 105 printed items identified, IPEA requested documents from Finance including the Form 141 – Printing and Communications Certification (Certification) and for each Certification, the invoice from the supplier and a copy of the sample of the printed item.
14. The analysis of the printed items considered whether:
  - a. The printed item was within the scope of the Assurance Review
  - b. The tax invoice amount matched the Certification
  - c. The certification was signed and dated by Mr Sukkar
  - d. The sample provided complied with regulation 3AA of the Regulations.

**CONCLUSION**

15. On the basis of the assessment conducted, IPEA established that the 105 printed items within the scope of this Assurance Review were compliant with the Regulations.
16. IPEA found there was sufficient information available through the documentation submitted, including the information available on the tax invoice or printed sample, for Finance to be satisfied that the printed items were in accordance with regulation 3AA of the Regulations. IPEA notes 77 of the 105 certification forms did not include the requested 'goods received' date. This date is important only in the context of determining to which financial year this budgeted expense is attributed. Absence of this date from the certification form does not invalidate the entitlement to the printed items.



Investigation National Party Games






This was published 5 months ago

## Sukkar uses taxpayer budget to employ friend who also designed smear sheets

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By [Nick McKenzie](#), [Paul Sakkal](#) and [Joel Tozer](#)

August 24, 2020 – 11.45pm

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Assistant Treasurer Michael Sukkar used his taxpayer-funded electorate office budget to pay one of his best friends, who was also tasked with designing Mr Sukkar's political smear files and materials to solicit party donations, in potential breach of parliamentary rules.

Graphic designer Matt Pham, who chose Mr Sukkar as one of the groomsmen at his 2014 wedding and has been a close personal friend of the minister for more than a decade, was paid from Mr Sukkar's electorate office budget between 2016 and 2018. Mr Pham's LinkedIn account shows he worked in full-time roles for a real estate advertising company during the same period that Mr Sukkar has said Mr Pham worked "as a casual Electorate Officer in the Deakin Electorate Office".







Michael Sukkar, left, with his good friend and sometime employee, Matt Pham.  
FACEBOOK

Mr Sukkar defended giving his close friend work due to his "skill set and performance" as a designer. The member for the east Melbourne seat of Deakin is facing calls from Labor to resign from federal cabinet, scrutiny from an internal Liberal Party probe as well as a departmental audit. The revelations come as the fallout from the [Liberal Party branch stacking scandal](#) revealed on Sunday night by *The Age*, *The Sydney Morning Herald* and *60 Minutes* led to Monday's resignation from the party of powerbroker Marcus Bastiaan.

Mr Sukkar has retained the support of the Morrison government, despite evidence showing he backed a scheme to give taxpayer-funded jobs to factional operatives in the office of Liberal MP and party elder Kevin Andrews in 2017 and 2018. Mr Sukkar also employed factional operatives, including Mr Bastiaan's wife Stephanie, in his own office as electorate officers. He insists he has no knowledge or involvement in any wrongdoing or abuse of public funds.

An electorate office budget can be used to pay for mailouts to local residents and to assist a minister to conduct parliamentary business. The budget cannot be used to pay for party political activity.

Emails sent by Mr Pham reveal that he was used by Mr Sukkar's office to design flyers to solicit political donations for the Liberal Party's Deakin 200 Club in early February 2017. Taxpayer funds are not meant to be used to pay for any work done to facilitate donations for a political party.





Assistant Treasurer and Minister for Housing Michael Sukkar at question time on Monday. ALEX ELLINGHAUSEN

On February 10, 2017, Mr Sukkar's office told Mr Pham to work on the flyer, stating in one email that he had "more work for you mate". The flyer designed by Mr Pham for Mr Sukkar invites the donation of up to \$3000 to sponsor the Deakin 200 Club which is "supporting Michael Sukkar MP, Assistant Minister to the Treasurer".

"The Deakin 200 club provides members with a key networking forum [and] ... also provides opportunities for businesses and individuals to support the activities of the Liberal Party in Deakin and to engage with the party's elected representatives more broadly," the flyer said.

In February 2017, Mr Pham also designed a flyer for a Deakin 200 Club fundraiser for Mr Sukkar at Bar Humbug in Melbourne's CBD in April that year.

The emails also reveal the involvement of Mr Pham and Mr Sukkar's office in a behind-the-scenes plan to create political smear sheets.

Files obtained by *The Age* and *Herald* show that at the request of Mr Sukkar's office in early February 2017, Mr Pham created two flyers designed to smear conservative state Liberal MP Gary Blackwood by falsely claiming he was aligned to "socially progressive voters". The fake flyer also pictured Mr Blackwood with moderate state Liberal leader Matthew Guy.



A political pamphlet designed by Mr Pham at Mr Sukkar's office's request.

The second flyer designed by Mr Pham and sent to Mr Sukkar's office was intended to aid an attempt to get Ms Bastiaan (then using her unmarried name, Stephanie Ross) into Mr Blackwood's state seat of Narracan. In what is supposed to appear as an attack but is actually intended as an endorsement, it describes her as "Christian, pro-life, anti-euthanasia, anti-safe schools, anti-LGBTIQ and anti-marriage equality". The flyers were never distributed, said one source.



In a statement, Ms Bastiaan said "the material was not created, authorised or used by me. The posturing and subject matter is vulgar and inaccurate."

Mr Sukkar did not respond to questions about whether his office directed Mr Pham to design material for Deakin 200 Club fundraisers or any smear sheets.



A political pamphlet designed to promote Stephanie Ross as Christian by pretending to decry her beliefs.

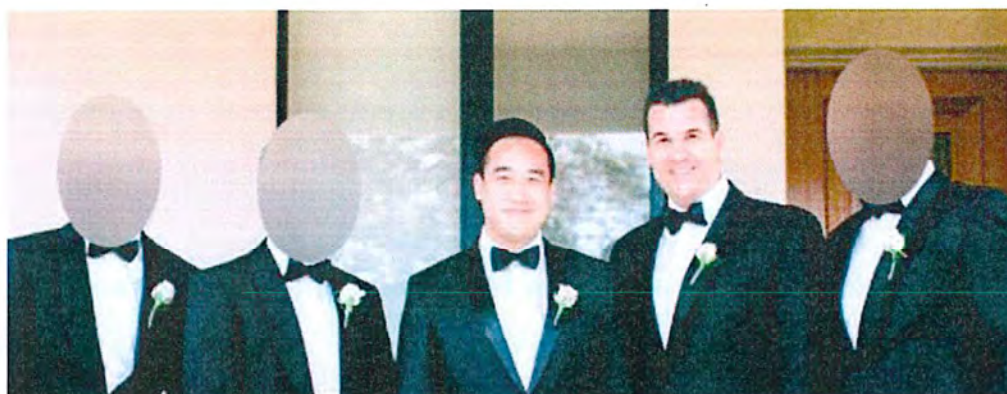
In late 2016, Mr Pham was used by Mr Sukkar's office to design his Christmas card.

"I've locked in time with Michael on Saturday afternoon for a new photo and I'll have the first concept to you Monday morning," Mr Pham wrote to Mr Sukkar's office in November 2016.

Questioned as to why he was hired by Mr Sukkar, Mr Pham said: "I think I'd rather you speak straight to Michael about that." Asked how often he was paid by Mr Sukkar's office, he declined to answer, referring the questions to Mr Sukkar.

"At this point I am not interested in adding to this story, I think it is just a beat up."

Questioned why he had helped design dirt files for Mr Sukkar's office targeting another Liberal, Mr Pham said: "I actually don't know the details of what you are talking about."







Mr Sukkar at Mr Pham's wedding.

The Parliamentary Business Resources Bill requires MPs to be "personally responsible and accountable for their use of public resources for conducting their parliamentary business" and "prepared to justify publicly their use of public resources for conducting their parliamentary business".

In a statement, Mr Sukkar said that "Mr Pham was ... engaged as a casual Electorate Officer in the Deakin Electorate Office, between May 2014 and September 2017, given his skill set and performance."

"Mr Pham's primary responsibility was to design and oversee the production of newsletters, brochures and other communication collateral sent to constituents. During this period, Mr Pham was engaged sporadically depending upon the constituent communication workload," Mr Sukkar's statement said.

Mr Pham's LinkedIn account shows that he has worked full time for the online real estate advertising company REA Group since July 2015 as a designer and later manager of consumer products, a role he currently holds.

On Monday night, the party's powerful administrative committee met for a specially-convened meeting to address evidence of alleged impropriety published by this masthead.

Party president Robert Clark chaired the meeting in which members agreed to an audit of all members signed up in the past five years as part of a wide-ranging investigation. The committee voted to summon several staffers and recruiters at a future meeting to explain their actions. The procedure could lead to their suspension or expulsion.

*The Age* and *Herald* have also uncovered the role of Mr Sukkar's office in facilitating the printing of campaign material for Liberal-aligned local councillors in Victoria in 2016. Taxpayer resources are not meant to be used by MPs to pay for the political campaigns of other candidates. While it is unclear if this was done by Mr Sukkar's office, it appears it had at least some role facilitating the campaigns of local Liberal council candidates in 2016.

Maroondah councillor and Liberal figure Nora Lamont said she had not paid for a printer to produce her campaign materials for the 2016 council election, but rather had paid Mr Sukkar's office. She said his office had separately paid for the printing and that she had later reimbursed the office.

"I paid Michael Sukkar's office for my own material," she said when asked why she paid a political office for printing rather than directly engaging a printing company. Ms Lamont said she had an invoice outlining the arrangement, but did not supply it by time of publication.



Local Liberal councillor Kylie Speers said that "for one" election, Mr Sukkar's office arranged for her printed campaign material.

"There was a facilitation [by Mr Sukkar's office]," Ms Speers said, before saying that she was "really not sure" about who paid for her printing.

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**Nick McKenzie**



Nick McKenzie is an investigative reporter who has twice been named Australian Journalist of the Year. A winner of ten Walkley Awards, he investigates politics, business, foreign affairs/defence, human rights issues and policing/ criminal justice.



**Paul Sakkal**



Paul is a Victorian political reporter for The Age.



**Joel Tozer**

Joel is a producer for 60 Minutes.

## **Part 2—Additional benefits for members**

### **Division 1—Printing and communications entitlement**

#### **3 Application of this Division**

This Division applies to all members.

#### **3AA Printing and communications entitlement**

- (1) For paragraph 5(1)(b) of the Act, the additional benefit of a printing and communications entitlement, as set out in this Division, is prescribed.
- (2) The entitlement is for the cost of commercial services for any of the following:
  - (a) printing;
  - (b) the production of e-material;
  - (c) matters for incorporation into commercially printed material and commercially produced e-material, including the following:
    - (i) translation;
    - (ii) design;
    - (iii) artwork;
    - (iv) photography;
  - (d) the communication and distribution of printed material and e-material;
  - (e) the establishment and maintenance of websites;
  - (f) the production and maintenance of a product commonly known as an audio poster;

Note: This is a poster to which an electronic device has been attached to broadcast sound.
  - (g) matters for incorporation into an audio poster, including the following:
    - (i) translation;
    - (ii) design;
    - (iii) artwork;
    - (iv) photography;
    - (v) audio recordings;
  - (h) the distribution of audio posters.
- (2A) The entitlement must not be used for the cost of commercial services for:
  - (a) the production of television or radio content; or
  - (b) the placement of television or radio content.
- (3) The entitlement must only be used for parliamentary or electorate purposes, and must not be used for:
  - (a) party business; or
  - (b) commercial purposes.



Regulation 3AA

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- (5) For paragraph (2)(a), the entitlement is limited to printing on:
- (a) paper or card weighing not more than 700 grams per square metre; or
  - (b) flat magnetised material.
- (8) Subject to subregulation (9), printing on personalised letterhead stationery may include only the following:
- (a) the member's name and title;
  - (b) the address, postal address and contact details of the member's electorate office, Parliament House office, and capital city office (if applicable);
  - (ba) a post office box;
  - (c) other contact details of the member, including his or her electronic contact addresses;
  - (d) for a member of the House of Representatives—his or her electoral division;
  - (e) for a Senator—his or her State or Territory;
  - (f) an electorate, State or Territory map;
  - (g) a description of the electorate, State or Territory, which may be in the form of, or include, a pictorial representation relating to the electorate, State or Territory;
  - (h) photographs of the member;
  - (i) the Commonwealth Coat of Arms;
  - (j) the Australian flag;
  - (k) a political party logo;
  - (l) 1 personal slogan or motto of the member;
  - (m) incidental material.

Example 1: A statement that the material is printed on 100% recycled paper.

Example 2: A symbol such as a tick to indicate that an organisation or body has approved an environmentally friendly method of production of the paper.

- (9) If personalised letterhead stationery includes the Commonwealth Coat of Arms, the stationery must not include the Australian flag or a political party logo.
- (10) A member may use the entitlement to print the following number of postal vote applications for a federal election:
- (a) for a member of the House of Representatives—a number equal to the number of enrolled voters in the member's electorate (within the electoral boundaries for the member's electorate as in place at the last general election) on the last working day of March before the election; and
  - (b) for a Senator—a number equal to 50% of the number of enrolled voters in the Senator's State or Territory on the last working day of March before the election.
- (11) In this regulation:
- party business:**
- (a) means the production, communication or distribution of material that:
    - (i) is, or contains, how-to-vote material; or

**Regulation 3AB**

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- (ii) solicits subscriptions or other financial support for a member, political party or candidate; and
- (b) does not include the production, communication or distribution of a postal vote application mentioned in subregulation (10).

*personalised letterhead stationery* means letterhead paper, envelopes, compliments slips and business cards for a member to which text or other material may then be added for the member's purposes.

**3AB Amount of printing and communications entitlement for a member for a financial year**

The cost of commercial services to which a member is entitled under regulation 3AA for a financial year starting on or after 1 July 2015 cannot exceed the remainder of the office budget.