

Tim Watts MP

FEDERAL LABOR MEMBER FOR GELLIBRAND



28 August 2015

Mr Grant Hehir
Auditor-General
Australian National Audit Office
GPO Box 707
CANBERRA ACT 2600

MR BOYD

FOR CONSIDERATION +
DISCUSSION

GE
31 AUG 2015
12:55

By email only: grant.hehir@anao.gov.au

Dear Mr Hehir

Liberal Party misappropriation of parliamentary entitlements

I refer to reports that former Director of the Victorian Liberal Party Damien Mantach allegedly misappropriated the printing allowances of Federal Liberal Members and Senators as part of an approximately \$2 million fraud against the Liberal Party. It is also reported Mr Mantach defrauded the Tasmanian Liberal Party of \$48,000 during his time as Tasmanian State Director.

It is alleged that Mr Mantach's actions involved a favoured company issuing artificially inflated invoices for printing work performed for Liberal Members and Senators, which were then paid by the Department of Finance under the relevant parliamentarian's taxpayer-funded printing and communications entitlement. A portion of the inflated invoice would be paid to Mr Mantach by the company as a "kickback" for bringing it the work.

This is an incredibly serious matter and, if proven, could constitute one of the most significant frauds in Australia's political history. Any monies fraudulently obtained from the Department of Finance would need to be repaid.

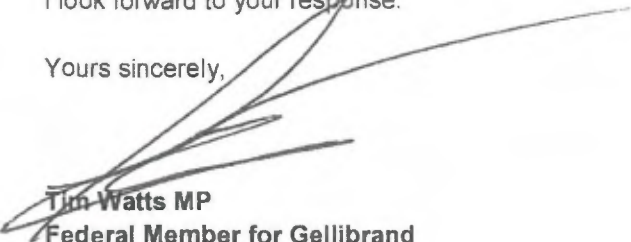
The President of the Victorian Liberal Party, Mr Michael Kroger, has already determined that almost \$200,000 must be repaid to the taxpayer in relation to misappropriated parliamentary entitlements. However, how the Victorian Liberal Party arrived at this figure is unknown.

An independent audit of payments to Victorian Liberal Party Members and Senators must be undertaken to ensure that all misappropriated funds are identified and returned to the taxpayer.

Accordingly, I ask you to conduct an audit of these payments and report your findings to the Parliament at your earliest convenience.

I look forward to your response.

Yours sincerely,


Tim Watts MP
Federal Member for Gellibrand



97 Geelong Road, Footscray VIC 3011
Tel: 03 9687 7661 F: 03 9687 7151
www.timwatts.net.au



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