

1995

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

COMMONWEALTH ELECTORAL AMENDMENT BILL (NO.2) 1994

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendments and New Clauses to be Moved on Behalf of the
Government

(Circulated by authority of the Minister for Administrative
Services, the Honourable Frank Walker, QC, MP)



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COMMONWEALTH ELECTORAL AMENDMENT BILL (NO. 2) 1994

OUTLINE

These amendments to the *Commonwealth Electoral Amendment Bill (No. 2) 1994* further refine the election funding and financial disclosure provisions of the *Commonwealth Electoral Act 1918*.

The amendments change the process by which registered political parties and eligible candidates obtain their election funding entitlement from the Electoral Commission.

The amendments provide that the Electoral Commission must compute election funding entitlements on the basis of votes counted at the 20th day after polling day in the election and make payment of a minimum of 95% of that entitlement as soon as possible thereafter. The balance of the entitlement is to be paid as soon as possible after counting has been completed.

Registered political parties will be required to furnish returns of actual electoral expenditure after each election.

Provisions to enable payment of election funding to National Secretariats of political parties have been amended to make them less cumbersome than those in the Bill.

FINANCIAL IMPACT STATEMENT

Based on the 1993 election payments, the additional cost associated with changing from a reimbursement scheme to a direct payment scheme at the increased election funding rate would be \$34 000. An additional amount estimated at \$25 000 will be incurred on administration of the revised provisions during an election year.

NOTES ON CLAUSES

Amendments 1 to 3 - Clause 5 - Transitional - gifts to political parties

1. Amendments to clause 5 in the Bill provide that the first returns to be furnished by donors to political parties under the annual reporting requirements will relate to the periods:

- from 12 April 1993 to the day on which the Act commences; and
- from the day after the day on which the Act commences to 30 June 1995.

2. These amendments are necessary so that the reporting of donations under new section 305B(2) will not be retrospective.

Amendment 4 - Clause 6 - Transitional - returns by associated entities

3. The amendment to clause 6 provides that the first returns by associated entities will cover the period from the day on which the Act commences until 30 June 1995.

4. The amendment is necessary so that the reporting requirements for associated entities will not be retrospective.

SCHEDULE - AMENDMENTS TO THE BILL

Amendment 5 - Item 1 - Interpretation

5. This amendment inserts a definition of 'entitlement' in section 287(1) for the purpose of ascertaining the amount payable under proposed new subsection 299(5D).

Amendment 6 - New Items 1A and 1B

6. This amendment inserts Item 1A in the Schedule.

7. Item 1A deletes the reference to a claim in subsection 290(3)(a). It is a consequential amendment.

8. Item 1B repeals section 293 which defines electoral expenditure which could be used to support an election funding claim. It is consequential upon the changes outlined under amendment 7.

Amendment 7 - New Items 3, 4, 5, 5A to 5J

9. This amendment omits items 3, 4 and 5 in the Schedule and substitutes new items.

10. New items 3, 4 and 5 repeal sections 295, 296 and 298 relating to claims for election funding payments. Eligible political parties, candidates and Senate groups will be paid their full entitlement based on the first preference votes polled.

11. New items 5A, 5B, 5C and 5D omit references to a claim in subsections 299(1), (2), (3) and (4).

12. New item 5E omits from subsection 299(5) reference to the time the relevant claim was lodged and substitutes 'before the 20th day after polling day' as the deadline for lodging an agreement dividing the election funding payment in respect of a Senate group jointly endorsed by two registered parties.

13. New item 5F inserts after subsection 299(5) new subsections 299(5A), (5B), (5C) and (5D).

14. Proposed new subsection 299(5A) enables a notice to be lodged with the Electoral Commission requesting that election funding payments that would otherwise be made to the agent of a registered political party specified in the notice are to be paid instead to the agent of another registered political party specified in the notice.

15. Proposed new subsection 299(5B) requires the notice to be signed by the registered officer of each of the registered political parties and provides that such a notice can only be withdrawn by a further notice lodged with the Electoral Commission and signed by the registered officer of each of the parties.

16. Proposed new subsection 299(5C) requires payments to be made in accordance with the notice for elections held between the lodgement and withdrawal (if any) of the notice.

17. Proposed new subsection 299(5D) requires the Electoral Commission to pay at least 95% of the entitlement, calculated on the basis of votes counted as at the 20th day after polling day in an election, as soon as possible after that date, and to pay the balance as soon as possible after the full entitlement is known.

18. New item 5G omits the reference to a claim in subsection 299(6).

19. New item 5H repeals section 299A which relates to revoking determinations of claims and which becomes irrelevant under the amended payment provisions.

20. New item 5I is a consequential amendment which omits reference to the making of a claim in section 300 relating to the death of a candidate.

21. New item 5J is a consequential amendment which omits reference to the making of a claim in section 301 relating to the death of a member of a Senate group.

Amendment 8 - New items 10A and 10B

22. This amendment inserts after item 10 in the Schedule new items 10A and 10B.

23. The effect of new item 10A is to delete from subsection 308(1) consultant's or advertising agent's fees as a category of electoral expenditure to be disclosed in post election returns, and to substitute the costs of direct mail campaigns.

24. New item 10B inserts before section 309(1A) a new subsection 309(1) which requires the agents of registered political parties and State branches of registered political parties to furnish returns of electoral expenditure incurred in relation to an election. Returns are required to be furnished within 15 weeks after polling day in the election.

Amendment 9 - New Item 11A

25. This amendment inserts after item 11 in the Schedule a new item 11A which adds to section 313 a new subsection (2) requiring registered political parties and their State branches to furnish 'Nil' returns if they did not incur any electoral expenditure.

Amendment 10 - Item 26

26. This amendment omits subsection 320(4) from item 26 of the Schedule and substitutes a new subsection (4). New subsection (4) removes the reference to 'a claim' as a consequence of the changes outlined in amendment 7.