



PARLIAMENT OF NEW SOUTH WALES

Joint Standing Committee on Electoral Matters

14 December 2022

MEDIA RELEASE

NSW Parliamentary Committee on Electoral Matters addresses electoral expenditure by third-party campaigners and funding for the NSW Electoral Commission in two inquiry reports

The Committee on Electoral Matters recently tabled two reports in Parliament marking the completion of its inquiries into:

- Caps on third-party campaigners' electoral expenditure in s29(11) and s35 of the *Electoral Funding Act 2018*, and
- the Adequacy of the funding allocation for the NSW Electoral Commission for the 2023 State General Election.

"These inquiries have been important for the Committee to support democratic best practice in NSW," said the Committee's Chair, Lee Evans MP. "They gave us the opportunity to consider significant issues that impact elections in NSW, to hear from a range of stakeholders involved in the electoral system, and to make recommendations for reforms."

Caps on third-party campaigners' electoral expenditure in s29(11) and s35 of the Electoral Funding Act 2018

This inquiry looked at parts of the *Electoral Funding Act 2018* (the Act) that cover electoral expenditure of third-party campaigners during by-elections or when working together on campaigns. "The Committee supports the participation of the NSW community in the electoral process," said Mr Evans. "Third-party campaigners play an important role in this process, because they highlight specific issues that are relevant to them. But their voices shouldn't drown out those of parties and candidates who are directly contesting an election."

Many stakeholders said that the current expenditure cap for third-party campaigners in by-elections (section 29) makes it difficult for them to participate fully, so the Committee has recommended that the expenditure cap be increased to \$198,750, which represents a 75 per cent increase on the current cap.

The Committee also looked at section 35 of the Act, which limits the expenditure of third-party campaigners working "in concert". This section was removed by an amendment to the Act during the course of the inquiry. "Section 35, as it operated, was an overly blunt instrument," Mr Evans explained. "But limits on third-party campaigners acting in concert remain necessary, otherwise there's the risk of the voices of other electoral participants being drowned out."

Because of this, the Committee recommended that the Government reintroduces expenditure caps for third-party campaigners working together, but only after thorough consultation with all stakeholders to determine the most appropriate level.

Adequacy of the funding allocation for the NSW Electoral Commission for the 2023 State General Election

"The NSW Electoral Commission plays a key role in enabling democracy in NSW's state and local government elections, so it's vital it is appropriately funded to ensure that our elections are conducted to the highest standard and with the utmost integrity," said Mr Evans.

The Committee was pleased to find that the Commission has been allocated adequate funding by the NSW Government for it to conduct the 2023 State General Election. "A well-funded Electoral Commission is key to conducting fair, transparent and robust elections that have the confidence of election participants and NSW citizens alike," Mr Evans said.

"We heard that the Commission has ageing systems, and that long-term funding is needed to properly address the systems' shortcomings. As a consequence, we've recommended that the Commission be provided with additional funding in future state Budgets to address long-term systemic issues." This will allow the Commission to work on upgrading its systems, particularly in non-election years, when there is more capacity within the organisation to do this.

Mr Evans also noted that stakeholders raised concerns about the use of iVote. "We support the Commission's decision not to use iVote for the 2023 election, however, NSW electors must have alternative, accessible, and secure voting options for future state and local government elections."

More information about these inquiries can be found on the Committee's [webpage](#).

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