# Select Committee on Electoral and Political Party Funding

## **Discussion Paper**

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### How to contact the committee

Members of the Select Committee on Electoral and Political Party Funding can be contacted through the Committee Secretariat. Written correspondence and enquiries should be directed to:

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## Committee membership

Revd the Hon Fred Nile MLC	Christian Democratic Party	Chair			
The Hon Don Harwin MLC	Liberal Party	Deputy Chair			
The Hon Robert Brown MLC	The Shooters Party				
The Hon Amanda Fazio MLC	Australian Labor Party				
The Hon Jenny Gardiner MLC	The Nationals				
The Hon Mick Veitch MLC	Australian Labor Party				

## Table of Contents

Background to	o the Committee	1
Context for thi	s inquiry	2
Possible areas	for reform	3
Election Fu	nding Authority	3
Public fund	ing	3
Political do	nations – amounts	4
Political do	nations – sources	4
Political do	nations – disclosure	4
Election ex	penditure – amounts	5
Election ex	penditure – disclosure	5
The system of	electoral and party funding in New South Wales	6
The Election	n Funding Authority	6
Public Fund	ling	7
Political do	nations	8
Comparison w	ith other jurisdictions	10
Australian j	urisdictions	10
Overseas ju	risdictions	11
Appendix 1	Entitlement for distribution from Central Fund for 2007 election	14
Appendix 2	Entitlement for distribution of Constituency Fund for 2007 election (extract)	16
Appendix 3	Payments from the Political Education Fund 2005	17
Appendix 4	Summary of political contributions received and electoral expenditure incurred by parties that endorsed a group of by independent groups at Legislative Council 2003	18
Appendix 5	Summary of political contributions received and electoral expenses incurred by dandidatres in the Legislative Assembly general election 2003 (extract)	19

### Background to the Committee

On 27 June 2007 the Legislative Council established the Select Committee on Electoral and Political Party Funding. The Committee is required to inquire into and report on:

the funding of, and disclosure of donations to, political parties, and candidates in state and local government elections, and in particular:

- (a) all matters associated with electoral funding and disclosure
- (b) the advantages and disadvantages of banning all donations from corporations, unions and organisations to parties and candidates
- (c) the advantages and disadvantages of introducing limits on expenditure in election campaigns
- (d) the impact of political donations on the democratic process and
- (e) any related matters.

The Committee consists of six MLCs, drawn equally from the Government, Opposition, and Crossbench (see list of members at page iii). The Committee is required to report to the House by the first sitting day in June 2008.

The Committee is currently seeking written submissions from stakeholders and interested parties in relation to the inquiry. Submissions should be provided by **15 February 2008**, and addressed to:

The Director Select Committee on Electoral and Political Party Funding Legislative Council Parliament House Macquarie Street SYDNEY NSW 2000

Submissions can also be lodged via the Committee's website at <u>www.parliament.nsw.gov.au</u> or by email: fundinginquiry@parliament.nsw.gov.au

This paper aims to encourage the provision of submissions by providing an outline of:

- the context for this inquiry
- possible areas for reform
- the system of electoral and party funding in New South Wales
- comparisons with other jurisdictions

The Committee welcomes submissions addressing any of the issues referred to in the paper or any other issues relevant to the inquiry.

#### Context for this inquiry

- **1.1** The way in which elections are funded and the nature of any associated controls are of critical importance to the integrity of the electoral process, both actual and perceived, and the strength of parliamentary democracy as a whole. Three broad approaches are possible: public funding to enable political parties and candidates to participate in elections; private funding, chiefly in the form of political donations to parties and candidates and/or, party membership fees and union affiliation fees; or some combination of the two.
- **1.2** Public funding supports the democratic process by recognising that parties and candidates should have sufficient funds to be able to participate in elections. It is also a means of ensuring a level of equality between election participants, so that candidates are not simply elected because they have the most money to spend on their campaigns. A further rationale is to minimise the danger of electoral funds being obtained from inappropriate sources.
- **1.3** On the other hand, private funding recognises that state funds are limited and subject to many other competing demands. It also recognises that, given the increasingly competitive nature of politics and campaigns, it is inevitable that parties and candidates will seek to communicate their policies and platforms to the electorate in the most effective way. A further possible rationale is that funding by the state may over time have the potential to erode the level of responsiveness of political parties to their members.
- **1.4** Where private funding is permitted, however, there is the potential for abuse: political donations may be used to purchase political favours, access to decision-makers, or consideration in policy formation, undermining faith in government and distorting the democratic process. An appropriate regulatory framework is vital to ensure that such conduct does not occur, and counter perceptions of impropriety.
- **1.5** Such a regulatory framework may incorporate any one of the following elements:
  - compulsory disclosure of political donations made or received;
  - limits on the amounts of political donations which may be made or received;
  - the prohibition of particular sources of political donations;
  - the compulsory disclosure of electoral expenditure;
  - limits on such expenditure.
- **1.6** In most Australian jurisdictions, only two of these strategies are in place: disclosure of donations and disclosure of expenditure. Some other western democracies, by contrast, rely on limits and prohibitions as well as disclosure.

#### Possible areas for reform

- 1.7 The funding of elections and political parties in New South Wales is governed by the *Election Funding Act 1981*. The scheme established by the Act incorporates three main elements: public funding for state elections (intended as a supplement to private funds); disclosure of political donations; and disclosure of election expenditure. The disclosure requirements also apply (with modification) in respect of local government elections, by virtue of Part 8 of the *Local Government Act 1993*, but there is no public funding for such elections. The requirements relating to both state and local government elections are administered by the Election Funding Authority under the *Election Funding Act 1981*.
- **1.8** The Committee has considerable scope under the terms of reference for this inquiry to identify any potential areas for reform in relation to election funding and the regulatory framework. A number of possible areas are listed below together with certain issues the Committee may wish to explore in relation to each one. The Committee seeks submissions addressing any of these issues.

#### **Election Funding Authority:**

- appropriateness of the current structure and procedures of the Authority and level of resources available to it, including whether it should have its own administrative staff
- transparency of the Authority's operations
- efficacy of the Authority's operations in respect of state and local government elections.

#### Public funding:

- adequacy of current levels of direct public funding under *Election Funding Act 1981*
- fairness and effectiveness of the current methods for delivering such funding
- whether the requirement that parties or candidates must have received at least 4% of the eligible first preference votes in order to qualify for funding unfairly benefits the major parties
- eligibility for and equity of distributions from the Political Education Fund
- registration of parties and candidates as a basis for funding, and the role of agents of parties, groups or candidates
- availability of indirect sources of funding for parties and candidates including Government advertising in the pre-election period and entitlements provided to members of Parliament under determinations of the Parliamentary Remuneration Tribunal for the purpose of performing their parliamentary duties such as funds for constituency newsletters (Electoral Mailout Account) and allocations of staff
- impact of federal legislation on the financing of state and local government elections including federal funding for state branches/affiliates of registered political parties and the tax deductibility of political donations

• desirability of exploring other possible sources of funding for elections, such as allocated broadcasting time during election periods.

#### Political donations – amounts:

- advantages and disadvantages of introducing limits on the amounts of political donations which may be made or received, as a means of controlling the potential for large donors to exercise influence over policy formulation, decision-making, and other aspects of the political process
- the criteria by which the level of such limits should be determined
- whether limits should apply to individual contributions, overall contributions to all parties or candidates, overall contributions to individual parties and candidates, and/or contributions per year or election cycle
- whether limits should be accompanied by a corresponding increase in public funding, or the introduction of public funding for local government elections which currently rely solely on private funds
- impact of federal funding arrangements on the effectiveness of donation limits imposed at state level
- questions of enforcement.

#### Political donations – sources:

- advantages and disadvantages of prohibiting donations from individuals, corporations, unions and organisations
- advantages and disadvantages of prohibiting donations from particular corporate sectors such as those known for the size of their donations, or those from which state government derives significant revenue
- advantages and disadvantages of prohibiting donations from other sources in respect of which the potential for conflicts of interest may be considered to be high (eg government contractors, media organisations, foreign citizens and corporations)
- whether there is a need for regulation of practices such as intra-party transfers, loans to parties and candidates, in-kind donations, and income from 'held assets'
- impact of proscribing certain sources of donations on the funding of state and local government elections
- effectiveness of state-imposed bans on sources in view of federal funding scheme
- possible difficulties of implementation and enforcement.

#### Political donations – disclosure:

• adequacy of the current disclosure requirements applying to 'third parties' (see sections 85A and 87(1A) of the *Election Funding Act 1981*)

- possible need for separate disclosure requirements for donors and 'associated entities' (in line with certain other Australian jurisdictions)
- adequacy of the current disclosure requirements concerning fund raising events (see sections 87(1AA) and 89(c) and of the Act)
- identification of possible loopholes permitting practices such as the splitting of large donations into smaller amounts or the filtering of donations through other entities or individuals to conceal the true amounts or sources of donations
- possible need for expanded disclosure in respect of corporate donations to ensure that the nature of the donor's corporate activity (and thus the real potential for any conflict of interest) is disclosed
- appropriateness of the thresholds for disclosure established in 1993 (\$1500 for gifts to parties, \$1000 for gifts to groups, \$500 for gifts to candidates), and whether the same thresholds should apply in New South Wales as in the Commonwealth
- frequency and timeliness of disclosures, including possible need for annual or more regular periodic disclosures or real-time disclosure (disclosure at the time the donation is made or received)
- accessibility of the information provided in disclosures as presented by the Election Funding Authority.

#### Election expenditure – amounts:

- advantages and disadvantages of imposing limits on the amounts which parties and candidates may spend on elections
- whether limits should be imposed on total expenditure by parties at State level, and by candidates in each electorate
- whether certain specific types of expenditure should be banned (eg advertising in the print and electronic media)
- impact of expenditure limits on the funding of elections and in particular local government elections
- enforcement of such limits and lessons to be learnt from other jurisdictions.

#### Election expenditure – disclosure:

- nature of the expenses which should be disclosed (see section 88 of the Act)
- adequacy of the disclosure requirements applying to third parties (see sections 85A and 88(2A) of the Act)
- possible need for more frequent periodic disclosures or real-time disclosures
- accessibility of disclosures as presented by the Election Funding Authority.

### The system of electoral and party funding in New South Wales

- **1.9** The funding and disclosure regime provided by the *Election Funding Act 1981* was the first such scheme in Australia. Its key features were the product of recommendations by a parliamentary joint select committee which reported in 1980.<sup>1</sup> The scheme remains essentially the same today, although there have been some significant amendments.<sup>2</sup> For example, in 1993, the disclosure requirements were tightened in response to comments by the ICAC in its inquiry into North Coast Land Development,<sup>3</sup> and comments by a second joint select committee which examined election funding in 1991-1992.<sup>4</sup> Those amendments included: reducing the disclosure thresholds to the current levels (from previously higher levels); expanding the classes of persons required to make disclosures to minimise the practice of channelling donations through third parties; specific requirements concerning the disclosure of fund raising events; and the establishment of the Political Education Fund;.<sup>5</sup> Other amendments in 1999 varied the way in which the total amount of public funds available for elections is calculated, following the introduction of fixed four year parliamentary terms.<sup>6</sup>
- **1.10** The main provisions of the Act concerning the Election Funding Authority, public funding, donations, and expenditure are summarised below.

#### The Election Funding Authority

- **1.11** The Election Funding Authority oversees and administers the funding and disclosure scheme. In doing so, it is required to act in a manner that is not unfairly biased against or in favour of any particular parties, groups, candidates or other persons, bodies or organisations.<sup>7</sup> The particular functions of the Authority include:
  - Applications by groups and candidates for registration (registration being a prerequisite for funding as discussed below)
  - Claims by parties, groups and candidates for payment in respect of state elections
  - Declarations of political contributions and electoral expenditure, by parties, groups, candidates and third parties, in respect of state and local government elections.<sup>8</sup>

- <sup>3</sup> Independent Commission Against Corruption, *Investigation into North Coast Land Development*, July 1990
- <sup>4</sup> New South Wales Parliament, Joint Select Committee upon the Process and Funding of the Electoral System, *Second Report*, 1992
- <sup>5</sup> Election Funding (Amendment) Act 1993
- <sup>6</sup> Election Funding Amendment Act 1999
- <sup>7</sup> Election Funding Act 1981, s 22(2)
- <sup>8</sup> Section 23

<sup>&</sup>lt;sup>1</sup> New South Wales Parliament, Joint Select Committee Upon Public Funding of Election Campaigns, *Report*, November 1980

For an overview of the introduction of the Act and subsequent changes see: Callinan R, *Election Finance Law: Public Funding, Donations and Expenditure*, New South Wales Parliamentary Library Research Service, Briefing Paper 15/2001, pp 46-47

- **1.12** The Authority consists of three members: the Electoral Commissioner of New South Wales (who acts as the Chairperson); a person appointed by the Governor on the nomination of the Premier; and a person appointed by the Governor on the nomination of the Opposition Leader.<sup>9</sup> The Authority may not employ staff.<sup>10</sup> However, the Electoral Commission makes available a secretary and two full time administrative officers to provide the full range of services to stakeholders of the Authority, including candidates, groups, political parties, donors and the electors of New South Wales.<sup>11</sup>
- 1.13 The Authority reports annually to Parliament in respect of its operations in accordance with the *Annual Reports (Statutory Bodies) Act 1984.* The *Election Funding Act 1981* includes requirements for public access to registers, claims, and declarations maintained by the Authority.

#### **Public Funding**

**1.14** Funding is provided for election campaigns and political education.

#### Election campaigns

- **1.15** Funding is available to eligible parties, groups and candidates. There are two main requirements for eligibility:
  - The party, group or candidate must be registered for the purposes of the Act. Parties are registered by the Electoral Commissioner under Part 4A the *Parliamentary Electorates and Elections Act 1912*, and must have been so registered for at least 12 months. Candidates and groups are registered by the Election Funding Authority under the *Election Funding Act 1981*.
  - The party, group or candidate must have received at least 4% of the relevant first preference votes, or a member of the party or group, or the candidate, must have been elected.<sup>12</sup>
- **1.16** The total amount of funds available for each election is determined by a formula set out in the Act which takes account of the total number of electors and the length of the parliamentary term. The total is divided into two funds. The Central Fund, which contains two thirds of the total, provides for payments to eligible parties, independent groups, and independent candidates that contest election for the Legislative Council. The Constituency Fund, containing the remaining third, provides for payments to eligible candidates contesting election for the Legislative Assembly. There is also a By-election Constituency Fund.<sup>13</sup>
- **1.17** To access funding, a party, group or candidate must lodge a claim with the Election Funding Authority within 120 days of the day of the return of the writs for the Legislative Council. The

- <sup>12</sup> See sections 59, 60, 61, 65
- <sup>13</sup> See Part 5, Divisions 2 4, 6

<sup>&</sup>lt;sup>9</sup> Section 6

<sup>&</sup>lt;sup>10</sup> Section 22(3)

<sup>&</sup>lt;sup>11</sup> <u>http://www.efa.nsw.gov.au/efa\_information/who\_we\_are</u>

amount of each entitlement is determined by a formula provided by the Act, subject to certain qualifications. Firstly, no party or candidate can receive more than half of the Fund (or in the case of the Constituency Fund more than half of that portion of the Fund which relates to the electoral district contested). Secondly, no payments will be made which exceed the amount of electoral expenditure actually incurred by the party, group, or candidate. Thirdly, any items of expenditure which the Election Funding Authority considers were not incurred for the purposes of an election campaign will be disallowed. Details of entitlements to distributions from the Central and Constituency Funds in respect of the state election in 2007 are shown in Appendices 1 and 2.

**1.18** Claims for payment, receipt of payment, and the lodging of declarations are undertaken by an agent of the party, group or candidate.<sup>14</sup> All agents must be registered with the Election Funding Authority.<sup>15</sup>

#### Political education

**1.19** An eligible registered party which endorsed candidates for the Legislative Assembly at a general election and is entitled to receive annual payments from the Political Education Fund for the purposes of 'political education'.<sup>16</sup> 'Political education' includes the posting of written materials and information, regardless of whether the information contains material only about the party concerned.<sup>17</sup> Payments are made to the agent of the party, who must declare how the party spent any payments received.<sup>18</sup> Payments from the Fund for 2005 are shown in Appendix 3.<sup>19</sup>

#### **Political donations**

#### Disclosure

- **1.20** All parties, groups and candidates are required to lodge a declaration of political contributions within 120 days of return of writs for a general election showing contributions received during the period specified by the Act. The specified period varies somewhat between the different entities. For parties, it commences on the 31<sup>st</sup> day after polling day for the previous election and ends on the 30<sup>th</sup> day after polling day for the current election (which in most cases exceeds four years).
- **1.21** The contributions to be disclosed are those which fall within the definition of 'gift' provided by the Act. This includes any disposition of property including money or provision of a service without adequate consideration (section 4), and any entry fee or other payment which

<sup>&</sup>lt;sup>14</sup> Election Funding Authority, *Election Funding Guide for Parties for State Elections*, 28 March 2007, p 14; *Election Funding Guide for Candidates and Groups for State Elections*, 28 March 2007, p 17

<sup>&</sup>lt;sup>15</sup> See Part 4, Divisions 2 - 6

<sup>&</sup>lt;sup>16</sup> See Part 6A

<sup>&</sup>lt;sup>17</sup> Section 97C

<sup>&</sup>lt;sup>18</sup> Section 97H

<sup>&</sup>lt;sup>19</sup> Payments are as shown in the most recent annual report of the Authority: *Annual Report 2005-2006*, p 24

entitled a person to participate in or benefit from a fundraising event or function (section 87(1AA)).

**1.22** Only contributions equal to or above the following thresholds need be disclosed:

\$1500	Parties
\$1000	Groups
\$200	Candidates

- **1.23** For contributions less than the threshold, the total number and value must be disclosed, but not the source.<sup>20</sup> For the purpose of applying the thresholds, multiple contributions from a single source during a twelve month period are aggregated.<sup>21</sup> Further, corporations that are related to each other for the purposes of section 50 of the *Corporations Act 2001* of the Commonwealth are regarded as a single corporation.<sup>22</sup>
- **1.24** Declarations must contain the name and address of the person or body which made the contribution (or other specified details in the case of an incorporated association, trust, or foundation), the date on which the contribution was made, and the value of the contribution. In addition, the net proceeds of any fund raising venture or function must be shown, together with a brief description of the nature of the occasion, and the date or period in which it was held (section 89(c)).
- **1.25** In addition to parties, groups and candidates, any other person, body or organisation ('third party') which incurs electoral expenditure of more than \$1500 during an election period must lodge a declaration within 120 days of the return of writs for a general election. The declaration must include the identity of any person or organisation that gave at least \$1000 to the person, body or organisation making the declaration, if the whole or part of that sum was used to incur electoral expenditure.<sup>23</sup>
- **1.26** Summaries of declarations lodged by parties and candidates in respect of the 2003 state election<sup>24</sup> are shown in Appendices 4 and 5.

#### Ban on anonymous donations

**1.27** In addition to requiring the disclosure of donations, the Act also makes it is unlawful for a party, group, or candidate to receive a gift in excess of the reportable thresholds, unless the name and address of the person or body making the gift are known to the person receiving it. Any such gifts are forfeited to the State.<sup>25</sup>

- <sup>23</sup> Section 85A and 87(1A); Election Funding Authority, *Election Funding Guide for Parties for Political Donors*, 28 March 2007, p 15
- <sup>24</sup> The corresponding information concerning the 2007 state election has not yet been released by Election Funding Authority (at the time of writing).
- <sup>25</sup> Section 87A

<sup>&</sup>lt;sup>20</sup> Section 89(a)

<sup>&</sup>lt;sup>21</sup> Section 87(5)

<sup>&</sup>lt;sup>22</sup> Section 87(6). See also section 85A(4).

#### Electoral expenditure

- **1.28** The declarations by political parties, groups and candidates referred to above must also include details of electoral expenditure. Electoral expenditure is defined as expenditure 'for or in connection with promoting or opposing, directly or indirectly, a party or the election of a candidate or candidates or for the purpose of influencing, directly or indirectly, the voting at an election' (section 88(1)). This includes spending on advertisements, the distribution of electoral material, fund raising, travel and accommodation of candidates (section 88(2)).
- **1.29** The declarations provided by third parties must also include details of electoral expenditure incurred by the third party. This includes details of any donations made by the third party to a political party, group or candidate equal to or above the reportable thresholds.<sup>26</sup>

#### Comparison with other jurisdictions <sup>27</sup>

#### Australian jurisdictions

- **1.30** Statutory schemes for public funding of elections and the disclosure of donations and expenditure have been established in the Commonwealth (1984), Queensland (1994) the ACT (1992) and Western Australia (disclosure since 1992; public funding since 2006).
- **1.31** In Victoria, there are longstanding requirements for the disclosure of expenditure, but not donations. Further, in 2002, public funding for elections was introduced, together with a ban on donations above \$50 000 per year from certain gaming licensees,<sup>28</sup> making Victoria the only Australian jurisdiction to have capped donations or regulated permissible donors.
- **1.32** In South Australia and Tasmania, there is no public funding or any requirement to disclose donations. The Northern Territory provides no public funding for elections but requires donations and expenditure to be disclosed (2004).
- **1.33** Tasmania is the only jurisdiction to have limits on electoral expenditure (limits applied in Victoria until 2002, Western Australia until 1979 and the Commonwealth until 1980). The limits apply to candidates for election to the Legislative Council and are associated with requirements to disclose expenditure. There is also a ban on political parties incurring expenditure for Legislative Council elections.<sup>29</sup>
- **1.34** Where funding and disclosure regimes are in place, features in common with the New South Wales scheme include:

- <sup>28</sup> Electoral Act 2002 (Vic)
- <sup>29</sup> *Electoral Act 2004* (Tas), s 162

<sup>&</sup>lt;sup>26</sup> Sections 85A and 88(2A)

<sup>&</sup>lt;sup>27</sup> The information in this section is drawn from material contained in the following publications of the New South Wales Parliamentary Library Research Service: Callinan R, *Election Finance Law: Public Funding, Donations and Expenditure*, Briefing Paper 15/2001; Drabsch T, *Election Finance Law: An Update*, Briefing Paper 13/2005; Griffith G and Drabsch T, *Election Finance Law:* Recent Developments and Proposals for Reform, Briefing Paper 8/2007

- funding paid post-election if 4% threshold reached (Commonwealth, Queensland, Victoria, Western Australia, ACT)<sup>30</sup>
- funding capped by actual expenditure (Queensland, Victoria, Western Australia)
- disclosure of donations post-election by certain entities (Commonwealth, Queensland, Western Australia, ACT, Northern Territory)
- third party disclosure requirements (Commonwealth, Queensland, Western Australia, ACT, Northern Territory)
- anonymous donations banned (all, except Victoria<sup>31</sup>)
- **1.35** Significant differences from the New South Wales scheme include:
  - payments made automatically in accordance with entitlement, instead of on the submission of a claim (Commonwealth, ACT)
  - annual, rather than post-election disclosure by certain entities (Commonwealth, Queensland, ACT, Northern Territory, Western Australia)
  - restrictions on donations from certain sources (Victoria)
  - separate disclosure requirements for 'associated entities' (Commonwealth, Queensland, Western Australia, ACT, Northern Territory) and donors (Commonwealth, Queensland, ACT, Northern Territory)
  - higher disclosure thresholds for donations (\$10 000 in the Commonwealth as from 2006).
- **1.36** Aspects of the Commonwealth scheme impact on the states. For example, under the federal scheme in respect of endorsed candidates, funding is paid to the agent of the state or territory branch/affiliate of the party in the jurisdiction in which the candidate stood for election.<sup>32</sup> Further, there is provision for the redirection of election funding payments from one party or state/territory branch/affiliate to another.<sup>33</sup> State or territory branches/affiliates of registered parties must submit annual returns with the Australian Electoral Commission disclosing information about amounts received and paid during the year.<sup>34</sup>

#### **Overseas jurisdictions**

**1.37** The main features of the funding and regulatory schemes in New Zealand, Canada, the United Kingdom and the United States are summarised in the following table.

<sup>34</sup> *Ibid* pp 17-18

<sup>&</sup>lt;sup>30</sup> In New South Wales the 4% threshold does not apply to a candidate who is elected.

<sup>&</sup>lt;sup>31</sup> Griffith G and Drabsch T, *Election Finance Law: Recent Developments and Proposals for Reform*, Briefing Paper 8/2007, p 40

<sup>&</sup>lt;sup>32</sup> Callinan R, *Election Finance Law: Public Funding, Donations and Expenditure*, New South Wales Parliamentary Library Research Service, Briefing Paper 15/2001, p 10

<sup>&</sup>lt;sup>33</sup> *Ibid* p 11

	Public funding	Donations – disclosures	Donations – caps	Donations – prohibited sources	Expenditure limits
New Zealand	Mainly limited to broadcasting time and funds to purchase broadcast time.	Parties annually Candidates post election Threshold for disclosure (parties): \$10 000	No	No	'Constituency candidates' – NZ \$20 000 Parties – NZ\$ 1 million plus \$20 000 for each constituency contested Election broadcasts banned unless within time allocated by the Electoral Commission
Canada	Parties – 50% refund of election expenses if receive at least 2% of national vote or 5% of votes in electoral district. Candidates – 60% refund of election expenses if elected or receive at least 10% votes cast Quarterly allowances available Free broadcast time	Annual and post election disclosure required. Quarterly reports if quarterly allowances received Special reporting requirements re transfers between affiliated political entities and prohibitions on use of transfers to conceal or attempt to conceal the source of contributions	\$1000 per year (individuals)	Corporations, trade unions, associates Non-citizens and non- residents	National and constituency limits calculated on number of electors in each contested district National limit on third party election advertising: CA \$150 000 Registered parties and associations prohibited from transferring money candidates from trust funds

#### TABLE 1: Election funding and regulation in four overseas jurisdictions (selected features)

<sup>&</sup>lt;sup>35</sup> The information in this table is drawn from material contained in the following publications of the New South Wales Parliamentary Library Research Service: Callinan R, *Election Finance Law: Public Funding, Donations and Expenditure*, Briefing Paper 15/2001; Drabsch T, *Election Finance Law: An Update*, Briefing Paper 13/2005; Griffith G and Drabsch T, *Election Finance Law: Recent Developments and Proposals for Reform*, Briefing Paper 8/2007

UK	Parties receive assistance in the form of free mailings, free use of public rooms during election, free airtime for political broadcasts, and policy development grants	Quarterly donation reports from parties. Weekly donation reports during election period Annual statements of accounts Donor disclosure threshold of over £5000	No	Foreign parties Trade unions must ballot their members every 10 years for authority to promote political agenda. Companies must seek authority from their shareholders every 4 years before they can make political donations or expenditure	Limits calculated on seats contested Paid electronic advertising banned
USA	Public funding available to presidential candidates only	Monthly During election campaign: 12 days before and 20 days after election Candidates to disclose details of any donor who gives more than US \$200	Yes on individuals and certain groups - eg individual caps: US \$2,100 to each candidate, \$26,700 to each national party committee per election cycle	Persons/corporations with contracts with Federal Government Foreign parties Corporations and labour unions (banned from directly contributing to candidates or parties but not PACs)	If presidential candidates choose to accept public funds they must agree to expenditure limits

### Appendix 1 Entitlement for distribution from Central Fund for 2007 election

Party	Percentage of Primary Votes	Entitlement (\$)
Australian Democrats (NSW Division)	1.78	_
Australian Labor Party (NSW Branch)	39.14	3,426,979
Australians Against Further Immigration	1.64	_
Christian Democratic Party (Fred Nile Group)	4.42	387,204
Horse Riders Party Outdoor Recreation Party	0.57	-
Liberal Party of Australia (NSW Division) National Party of Australia - NSW	34.22	2,996,107
Peter Breen – Human Rights Party	0.44	_
Restore the Workers Rights Party	0.92	_
Save our Suburbs	0.31	_
Socialist Alliance	0.40	_
The Fishing Party	1.53	_
The Greens	9.12	798,434
The Shooters Party	2.79	244,696
Unity Party	1.21	
Independent Group		
А	0.68	
D	0.01	
F	0.50	
Н	0.08	
М	0.09	
Ungrouped Candidate		
BODLAY, Jordie	0.00	
CARBURY, Richard	0.00	
FRASER, Dawn	0.12	
LOVETT, Ryan	0.00	
MACDONALD, Alasdair	0.00	

NUNEZ, Jose	0.00	
ROFE, David	0.01	
Undistributed Funds (\$)		2

#### Source:

http://www.efa.nsw.gov.au/state government elections/election funding and entitlements/funding and entitlement reports/entitlements for the legislative council election

### Appendix 2 Entitlement for distribution of Constituency Fund for 2007 election (extract)

The following report lists the percentage of primary votes received by each candidate and their maximum funding entitlement (percentage of primary votes is to 2 decimal places).

Election: 2007 NSW State General Election

Election Day: Saturday 24 March 2007

Funds available per district: \$42,222.00

Candidates by Electoral District	Party Affiliation	Percentage of Primary Votes	Entitlement \$
Albury			
APLIN, Greg	Liberal	65.34	21,111
RYAN, Chris	Country Labor	27.39	11,565
SOBEY, Chris	The Greens	7.27	3,070
Undistributed Funds \$			6,476
Auburn			
AU, Jack	Unity Party	9.59	4,588
HABIB, Mamdouh	-	3.85	-
IHRAM, Silma	Australian Democrats	2.70	_
LOTFIZADEH, Allan	Christian Democratic Party	3.92	_
MICHAELS, Malikeh	The Greens	4.02	1,924
PERRY, Barbara	Labor	60.29	21,111
PIERIDES, George	Liberal	14.31	6,849
VINNICOMBE, Bob	-	1.33	-
Undistributed Funds \$			7,750
Ballina			
BAILEY, John	The Greens	19.44	8,472
BOYD, Flora	Australians Against Further Immigration	1.36	_
DORIEAN, Melanie	Labor	23.07	10,055
PAGE, Don	Nationals	54.36	21,111
SMITH, Ben	Australian Democrats	1.77	_
Undistributed Funds \$			2,584

#### Source:

http://www.efa.nsw.gov.au/state\_government\_elections/election\_funding\_\_and\_\_entitlements/funding\_and\_entitlement\_reports/entitlements\_for\_the\_legislative\_assembly\_election

### Appendix 3 Payments from the Political Education Fund 2005

The following parties lodged declarations for 2005 political education expenditure and received their third annual payment from the entitlements calculated after the 2003 general election:

Australian Labor Party (NSW Branch)	\$688,618
Country Labor Party	\$126,891
Christian Democratic Party (Fred Nile Group)	\$32,986
Liberal Party of Australia New South Wales	\$472,444
National Party of Australia - NSW	\$184,002
The Greens	\$157,685
TOTAL	\$1,662,626

All parties received their maximum entitlement and payments were made within two weeks after lodgement in the proper form.

Source: Election Funding Authority, Annual Report 2005-2006, p 24

### Appendix 4 Summary of political contributions received and electoral expenditure incurred by parties that endorsed a group or by independent groups at Legislative Council 2003

		Politics	al Contribu	tious \$					Elec	toral Expe	nditure In	curred \$	
Party Name							Amount		Advertising			Admin	
	Over \$1,500	\$1,500 or less	Fund Raising Ventures	Amt of Annual Subs.	Total	Advanced Payment Amount	paid out of Central Fund	Radio	τv	News- papers	Other	and Other	
Horse Riders Party	2697	1020			3717			-			2332	236	2568
Liberal Party of Australia New South Wales Division	2863552	103988	28269	1512132	4507941			6615	1625956	101065	163966	1183449	3081051
Australians Against Further Immigration	15420	2440		2505	20365						71	1757	1828
Australian Democrats (NSW Division)	1514	5894	654		8062				50037	76269	133914	139023	399243
The Greens	219557	66932	28151	440759	755399			84357	96949	146155	134319	86194	547974
Independent													
Unity Party	53300	26400	107391		187091			1294	1872	12904	19576	17729	53375
The Shooters Party	146400	92509	17882	195510	452301	-		330		35899	354914	10828	401971
Four Wheel Drive Party													
No Privatisation People's Party		34080			34080			350		2018	15919	14154	32441
Peter Breen - Reform the Legal System	23365	1350			24715						20305	4410	24715
Christian Democratic Party (Fred Nile Group)	97589	429188	6081	-	532858	-	-	26940	16781	62639	174847	177068	458275
Australian Labor Party (NSW Branch)	6055902	108694	2921216	715583	9801395	-	-	971710	6390147	236884	1672483	2116443	1387667
National Party of Australia - NSW	695214	869730	114796	2286388	3966128	-	-	1304	713571	9818	223538	328567	1276798
One Nation NSW Political Party	17635	9764	4835	75	32309						2861	1176	4037
Country Labor Party								8780	3726	34331	146547	406523	599907
Socialist Alliance		1100	3946	10860	15906	-					62	2005	2067
Save Our Suburbs	4800	7179			11979						21055		21055
The Fishing Party	8067	2392	-	-	10459		-		-	-	1530	3067	4597
	10205012	1762660	3233221	5163812	20364705	-		1101680	8899039	717982	3088239	4492629	18299569

SUMMARY OF POLITICAL CONTRIBUTIONS RECEIVED AND ELECTORAL EXPENDITURE INCURRED BY PARTIES THAT ENDORSED A GROUP OR BY INDEPENDENT GROUPS AT LEGISLATIVE COUNCIL 2003

**Source:** http://www.efa.nsw.gov.au/\_\_data/assets/pdf\_file/0015/30138/2003SummaryPartiesGroups.pdf **Note:** Figures for the March 2007 State election will be published by the Election Finance Authority in late 2007.

### Appendix 5 Summary of political contributions received and electoral expenses incurred by candidates in the Legislative Assembly general election 2003 (extract)

		Political Contributions \$					Electoral Expenditure Incurred \$					
Candidates Name	Party Affiliation	Over	\$200	Fund		Amount	Advertising Admi		Admin			
ŧ		\$200	or less	rund Raising ventures	Total	Paid	Radio	TV	News- papers	Other	and Other	Total
Albury												
WILTON, Heather Adelle	IND	-	-					1526	1317	3337	2264	8444
DOUGLAS, Claire	IND	9395	6654	10284	26333	9027	2028	13833	5556	\$181	19077	48675
MORGANS, John Stuart	ONN	-	-					-	-	-		
SCHWARZE, Gail Debra	CDP		-					-		j .		
BALLARD, Robert John	IND	500	1100	16199	17799	5531	1023	9538	2496	6775	6202	26034
APLIN, Gregory John	LP	32131	4705	4492	41328	17672	9996	21983	12869	29613	26999	101460
MATHEWS, Nico	CLP	3500	275	5294	9069	4946	1653	30	-	3887	2421	7991
STONEHOUSE, Darran Mark	GNS	-	-					-	-	273		273
GALEY, Doreen Sue	AAF	-						-		· -		
		45526	12734	36269	94529		14700	46910	22238	52066	56963	192877
Auburn												
MAXWELL, Stephen John	GNS					2200		-	295	696	1209	2200
PERRY, Barbara	ALP	7960	980	49646	58586	18589	562	-	12384	18806	5300	37052
DARLEY, Keith	AD							-			535	535
EMIRALI, Levent	LP	5748	-		5748	6574	3038	-		6917	125	10080
YAGOUB, Thoria Farah	RLS	2000	-		2000			-	-	2000		2000
JORQUERA, Roberto Francisco	SA	750	300	922	1972			-	-	1227	280	1507
O'CONNOR, Kane Daniel	ONN		-					-		791		791
KAITANOVICH, Gregory	CDP							-	-	500	1285	1785
DALE, Ross Francis	AAF				-			-	-	· ·		
AU, Shui Lung	UP						23	34	232	1398	3878	5565
		16458	1280	50568	68306		3623	34	12911	32335	12612	61515
Ballina	I	I	I									
FAULKNER. Nicolas de Brav	IND											
BARHAM, Janette Louise	GNS	4567	63		4630	7513		2212	2130	- 3574	-	- 9476
MAY, Darren	ONN	4307			4050	/515		2212	2130		1500	9410
DAKIN, Susanna Michelle	CLP	- 15720	795	- 5581	22096	9953	- 986		- 3391	- 11980	7727	- 24084
DAKIN, Susama Michelle PAGE, Donald Lofus	NP	47400	67.55		54155	18589	2162	22810	4364	5854	4360	39750
PAGE, Dollara Lotas	NP	67687	7613	- 5581	80881	19399	3148	25022	10085	21408	13647	73310

#### Source:

 $http://www.efa.nsw.gov.au/state_government\_election_funding\_reports/state\_general\_election\_2003/la\_candidates$ 

Note: Figures for the March 2007 State election will be published by the Election Finance Authority in late 2007.