



**REPORT OF THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS –  
ADMINISTRATION OF THE 2015 NSW ELECTION AND RELATED MATTERS  
(REPORT 2/56 – 17 NOVEMBER 2016)**

**GOVERNMENT RESPONSE**

A resolution was passed in the Legislative Assembly on 28 May 2015 and in the Legislative Council on 2 June 2015 that the Joint Standing Committee on Electoral Matters (the **Committee**) inquire into the administration of the 2015 State election and related matters. The Committee released its report (**Report**) on 17 November 2016.

The Government accepts, or accepts in-principle, 22 of the 34 recommendations made by the Committee. The Government does not accept one of the Committee's recommendations – Recommendation 3 (mandatory proof of identity for voters).

In line with the Government's response to the Committee's previous report on its inquiry into the State's electoral and campaign finance legislation (Report 3/55), the Government has been working on a thorough review of the *Parliamentary Electorates and Elections Act 1912* (NSW) (the **PE&E Act**), with a view to repealing that Act and replacing it with a new Electoral Act that reflects modern electoral practices and advances in technology. Recommendations 12, 17, 19, 20 and 22 in the Report concern issues that overlap with previous Committee recommendations and will be considered as part of the ongoing review of the PE&E Act.

The Government is also reviewing the *Election Funding, Expenditure and Disclosures Act 1981* (NSW) (the **Election Funding Act**) in accordance with earlier recommendations made by the Committee following its inquiry into the final report of the Expert Panel – Political Donations (see Report No. 1/56). Recommendations 28 and 30-34 of the Report intersect with the package of reforms relating to Report No. 1/56 and will be considered as part of the review of the Election Funding Act.

The Government's position on each of the Committee's recommendations is set out in **Attachment A**.

The NSW Electoral Commission was consulted on the Committee's recommendations and its views have been closely considered in preparing this response.

The Government is continuing its review of the PE&E Act and the Election Funding Act, in consultation with key stakeholders and informed by recommendations made by the Committee. The Government is working towards having new electoral and campaign finance laws in place at least 12 months before the 2019 election.

## ATTACHMENT A

JSCEM RECOMMENDATION		GOVERNMENT RESPONSE	COMMENT
<b>Electronic Mark-Off</b>			
1	<p>The Committee recommends that the NSW Government expands the trial of the electronic roll mark-off of electors at pre-polling and Election Day polling booths, with a view to a full rollout over the next few elections.</p>	<p><b>Accept in principle</b></p>	<p>At the March 2015 NSW State election, the NSW Electoral Commission (the <b>NSWEC</b>) deployed 6,500 tablet devices in polling places across NSW. These devices were used by election officials to look up the correct details for individual electors. The NSWEC also trialled electronic roll mark-off in the Canterbury State by-election in November 2016.</p> <p>The NSWEC reports that the devices were very well received by election officials who found them easy to use, and that services to electors were improved through more efficient and accurate searching of the roll, and mark-off of the electoral roll in the case of the Canterbury State by-election. The NSWEC advises that the main benefits of electronic roll mark-off include reduced mark-off errors by election officials, reduced waiting times and inconvenience for electors, data insights that will assist future election planning, and reduced turn-around time for the NSWEC to process the marked rolls and issue failure to vote notices.</p> <p>The NSWEC supports the Committee's recommendation for an expanded trial, but has identified that additional funding will be required to facilitate an expanded trial. As a first step, the NSWEC has been advised to prepare a business case for a basic electronic roll mark-off platform as part of the annual budget process. The logistics of the proposed expanded trial will be considered in consultation with the NSWEC.</p>
<b>Voter Identification</b>			
2	<p>The Committee recommends that the Electoral Commission be authorised to deem suspected multiple voters as silent electors.</p>	<p><b>Accept in principle</b></p>	<p>A key implementation consideration will be to ensure that the changes do not create unnecessary barriers to voting, and that there is consistency with the <i>Commonwealth Electoral Act 1918</i> (Cth), noting that silent electors under that Act are taken to be silent</p>

JSECM RECOMMENDATION	GOVERNMENT RESPONSE	COMMENT
		<p>electors in NSW. A mechanism will need to be developed to ensure that suspected multiple voters are identified with some degree of certainty, and that there are appropriate options for seeking review of any enrolment decision made by the Electoral Commissioner.</p>
<p>3 The Committee recommends that the NSW Government introduces legislation to require that voters provide proof of identity at the time of casting their vote.</p> <p>The Committee also recommends that the Government considers appropriate safeguards to ensure voters are not disenfranchised by new photo identification requirements. This could include the option to provide a statutory declaration to attest for one's identity or a system of vouching for another's identity.</p>	<p><b>Not accepted</b></p>	<p>If implemented, this recommendation would require that voters provide proof of identity at the time of casting their vote to mitigate the risk of multiple voting and voter impersonation.</p> <p>With respect to multiple voting, it has not been established that multiple voting is a significant issue in NSW. Further, it is not clear how requiring voters to produce identification would address the risk of multiple voting, as it would not prevent a deliberate multiple voter from attending more than one polling place and casting a vote.</p> <p>The NSWEC commissioned independent research into the extent of multiple voting in New South Wales and the likely impact of voter identification requirements.<sup>1</sup> This study found that multiple votes form a very small proportion (0.08%) of overall votes, are too small in number to determine the winner in any seat, and are not strategic (that is, they are not directed at marginal seats). Instead, multiple voting is strongly related to demographic factors such as fluency in English.</p> <p>In any event, the development of an electronic roll mark-off system – an expanded trial of which has been recommended by the Committee and accepted in principle by the Government (see Recommendation 1) – would be a more effective way of preventing multiple voting. As electronic roll mark-off technology evolves and electors are able to be marked off a centralised version of the roll in real time, the risk of multiple voting will be completely eliminated.</p> <p>Whilst voter identification would prevent voter impersonation, the Committee acknowledges that there is scant evidence of this occurring in NSW elections.</p> <p>On the other hand, there is a risk that the introduction of voter</p>

<sup>1</sup> The report, *Multiple Voting and Voter Identification* (February 2014), is available on the NSWEC website ([www.elections.nsw.gov.au](http://www.elections.nsw.gov.au)).

JSCEM RECOMMENDATION	GOVERNMENT RESPONSE	COMMENT
		<p>identification requirements would disenfranchise some voters who may not have ready access to identification documents – including, for example, elderly voters and those without a permanent place of residence.</p> <p>While the Committee recommends that the Government ‘consider appropriate safeguards to ensure voters are not disenfranchised by new photo identification requirements’, the particular safeguards suggested by the Committee (i.e. allowing voters without photo ID to sign a statutory declaration attesting to their identity, or having one voter vouch for the identity of another) would be impractical and onerous to administer on polling day.</p> <p>At an operational level, the Government notes that the NSWEC raised concerns about the practicalities of this recommendation, including the difficulties that would arise in managing non-attendance votes, such as those cast by way of iVote or postal votes. The NSWEC also foreshadowed that significant costs would be incurred in implementing the proposed reform.</p>
<p><b>Postal Voting</b></p> <p>4 The Committee recommends that the regulations be amended to require that, once balloting has commenced, the Electoral Commission must lodge ballot papers with Australia Post no later than the next business day after receipt of a valid postal vote application form.</p>	<p><b>Accept</b></p>	<p>Postal voting remains a necessary option, particularly for remote voters and those who may not have ready or reliable internet access.</p> <p>The NSWEC supports the recommendation, which it considers to be consistent with its existing practices.</p>
<p><b>iVote</b></p>		
<p>5 The Committee recommends that the NSW Government does not expand iVote beyond its existing role.</p>	<p><b>Accept</b></p>	<p>The Government acknowledges that the public demand for iVote must be balanced with concerns about possible security, verifiability and transparency issues. The Government agrees with the Committee’s recommendation that iVote should not be generally available to all electors, and that it should not be expanded beyond its existing role ‘as a tool for certain categories of voters’ at this</p>

	<p>time.</p> <p>The Government will, however, review the categories of voters who are eligible for iVote to ensure that the policy grounds for providing access to iVote are clear and consistent, and that iVote is available to those who face barriers to voting in person.</p>
<p><b>6</b> The Committee recommends that:</p> <ul style="list-style-type: none"> <li>a) the NSW Government establishes an independent panel of experts to conduct a full inquiry into the iVote internet and telephone voting system to consider security, auditing and scrutineering issues well before the 2019 State Election;</li> <li>b) the panel contains members with expertise in at least the following areas of information technology: online voting; privacy; security; and cybercrime;</li> <li>c) iVote is only used for the 2019 State Election if the security concerns highlighted by the Committee in this report have been addressed.</li> </ul>	<p><b>Accept in principle</b></p> <p>It is crucial to the integrity of the electoral system in NSW that the iVote system is secure. The Government agrees that the importance of this issue warrants a detailed examination of the existing system, and that the outcome of this review should help to determine the future use of iVote in NSW. However, the Government considers that a more timely and cost-effective option for conducting such a review would be to harness existing resources for this purpose.</p> <p>The NSWEC has established an Academic Consultative Group (ACG) to work with it in 2017 on the redesign/enhancement of iVote. The ACG consists of four computer science academics from the University of NSW and Macquarie University: three professors and a visiting fellow. The ACG is currently involved in an Electoral Regulation Research Network research project analysis of voting channels including iVote. The NSWEC also engages a Technical Advisory Group to review and advise on iVote.</p> <p>The Government will request that the NSWEC commission a report from these experts on security, auditing and scrutineering issues relating to iVote, with this report to be completed well in advance of the 2019 State election.</p>
<p><b>7</b> The Committee recommends that the NSW Government makes the iVote source code publicly available.</p>	<p><b>Accept in principle</b></p> <p>NSWEC has advised that it owns only part of the iVote intellectual property, so it is not in a position to release the source code in its entirety.</p> <p>The NSWEC has advised that it will consider negotiating an agreement with the vendor of the current iVote software to implement a requirement to publish the source code for future versions of iVote, subject to an assessment of cost and security</p>

JSCEM RECOMMENDATION	GOVERNMENT RESPONSE	COMMENT
<p>8 The Committee recommends that the Electoral Commission provides additional and targeted advertising about iVote to:</p> <ul style="list-style-type: none"> <li>a) people with disability to ensure they are aware of this voting option; and</li> <li>b) members from culturally and linguistically diverse communities in the same 24 languages that the Commission currently provides information in for other forms of voting.</li> </ul>	<p><b>Accept</b></p>	<p>The NSWEC has been consulted on and supports this recommendation.</p>
<p>9 The Committee recommends that political parties' How-to-Vote cards be made available for iVote voters.</p>	<p><b>Accept in principle</b></p>	<p>The Government supports this recommendation but notes that there will be some difficulties in its implementation, as identified by the NSW Electoral Commissioner in his evidence to the Committee. For example, parties often submit a range of how-to-vote options to the NSWEC in the course of an election campaign, and voters may be directed to different versions depending on when they vote, which may give rise to confusion.</p> <p>The Government will work closely with the NSWEC to determine the best way to implement this recommendation.</p>
<p><b>Electronic Voting in Person</b></p>		
<p>10 The Committee recommends that the NSW Government commences a trial of electronic voting in polling centres.</p>	<p><b>Accept in principle</b></p>	<p>The Government supports this recommendation in principle, subject to security risks being addressed in advance of any trial being conducted. The Government will have regard to the Committee's recommendations in assessing any funding proposals that are put forward by the NSWEC as part of the budget process concerning a trial of electronic voting.</p> <p>The NSWEC has been consulted on and supports this recommendation.</p>

JSECM RECOMMENDATION		GOVERNMENT RESPONSE	COMMENT
<b>Election Timeframes</b>			
<b>11</b>	The Committee recommends that the NSW Government amends section 68 of the <i>Parliamentary Electorates and Elections Act 1912</i> to provide that the writs for general elections be issued on the same day that the Parliament is dissolved.	<b>Accept in principle</b>	The Government acknowledges the benefits of fixing the date for the issue of the writs in relation to normal quadrennial elections, and will consider options for amending section 68 of the <i>Parliamentary Electorates and Elections Act 1912</i> (the <b>PE&amp;E Act</b> ) to achieve this result in a manner that is consistent with the <i>Constitution Act 1902</i> (NSW) and established constitutional conventions.
<b>12</b>	The Committee recommends that the NSW Government extends the period between the close of nominations and subsequent ballot draw, and the opening of the pre-poll period.  The Committee recommends that the NSW Government considers amending section 79(3) of the <i>Parliamentary Electorates and Elections Act 1912</i> to allow for the opening of nominations before the issue of the writs and on a date considered appropriate and administratively convenient for the Electoral Commission.	<b>To be considered in the ongoing review of the PE&amp;E Act</b>	The Government will consider this recommendation in its review of the PE&E Act, in consultation with the NSWEC.
<b>Online Services for Nomination of Candidates</b>			
<b>13</b>	The Committee recommends that the NSW Government develops an online nomination system to allow candidates and parties to submit their nomination forms.	<b>Accept in principle</b>	Development of an online nomination system would be an ICT project that would most likely be required to be assessed in accordance with the <i>NSW ICT Assurance Framework</i> and Treasury Gateway Policy (see Treasury Circular TC17-03). The Government will have regard to the Committee's recommendations in assessing any ICT proposals put forward by the NSWEC concerning an online nomination system.  The NSWEC has been consulted on and supports this recommendation.

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<b>Registration of Electoral Material</b>			
14	<p>The Committee recommends that:</p> <ul style="list-style-type: none"> <li>a) political parties and candidates be required to register their electoral material online at least seven days before polling day; and</li> <li>b) this online registration applies only to electoral material required to be registered under the existing legislation.</li> </ul>	<b>Accept in principle</b>	The Government will consider how best to implement this recommendation in its review of the PE&E Act.
<b>Unregistered Third-Party Campaigners</b>			
15	<p>The Committee recommends that the NSW Government expands the powers of the Electoral Commission to act immediately with respect to illegal signage and unregistered third party campaigners. In particular, the Electoral Commission should be required to:</p> <ul style="list-style-type: none"> <li>a) remove unlawful posters;</li> <li>b) issue penalty notices; and</li> <li>c) seek injunctions to stop unlawful conduct.</li> </ul>	<b>Accept in principle</b>	<p>The Government supports broadening the range of enforcement powers and options available to the NSWEC to deal with complaints about unlawful signage and unregistered third-party campaigners. The Government will consult with the NSWEC about options for implementing this recommendation in its review of the PE&amp;E Act. It is noted that section 151D of the PE&amp;E Act already empowers election officials to remove unlawful posters displayed in or around polling places.</p> <p>Expectations in relation to enforcement should be formed in light of the fact that the NSWEC's primary function during the election period is the administration of the election, of which the enforcement of laws in relation to unlawful signage and unregistered third-party campaigners is one component part.</p>
<b>Distribution of Allegedly False and Misleading Information</b>			
16	<p>The Committee recommends that the NSW Government introduces a Bill to amend electoral laws to:</p> <ul style="list-style-type: none"> <li>a) require parties, candidates and third party campaigners to include (as</li> </ul>	<b>Accept in principle</b>	The Government will consider how best to implement this recommendation in its review of the PE&E Act.



appropriate) the party name, candidate name and/or third party campaigner name in at least 12 point font on any registered material to be distributed on polling day;

b) make it an offence for parties, candidates and third party campaigners to distribute registered material on polling day that could reasonably [be] assumed to be official advice from the Electoral Commission.

This does not preclude political parties or other registered third party campaigners from providing information to voters about how to vote correctly.

**The Role of Returning Officers**

**17** The Committee recommends that the NSW Government reviews the current role of a Returning Officer in NSW State Elections to determine whether there is a more effective and efficient way to carry out the functions associated with this position.

**To be considered in the ongoing review of the PE&E Act**

The Government will consider this recommendation in its review of the PE&E Act.  
It is noted that the role of the Returning Officer is entrenched in the *Constitution Act 1902* (NSW).

**The Election Count**

**18** The Committee recommends that the Electoral Commission inform the public of the remaining ballots to be counted in each electorate on election night and for each of the days following that ballots are being counted.  
Further, the Committee recommends that the Electoral Commission allows complete electronic preference data to be publicly available at the

**Accept in principle**

While the Government supports the provision of ballot and preference data in line with the Committee's recommendation, the NSWEC advises that its current ICT systems are not capable of performing the specific functions set out in the Committee's recommendation.  
An update of the NSWEC's ICT systems to give effect to the recommendation would be a major ICT project that would be required to be assessed in accordance with the *NSW ICT*

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<p>declaration of the poll in each electorate.</p>		<p>Assurance Framework and Treasury Gateway Policy (see Treasury Circular TC17-03). The Government will have regard to the Committee's recommendations in assessing any ICT proposals put forward by the NSWEC concerning the provision of ballot and preference data.</p> <p>Additionally, the NSWEC will examine whether the current timeframe for publication of ballot and preference data can be shortened using its existing system.</p>
<b>Legislative Council Ballot Paper</b>		
<p><b>19</b> The Committee recommends that the NSW Government increases the number of required nominators for independent Legislative Council candidates from 15 to 100.</p>	<p><b>To be considered in the ongoing review of the PE&amp;E Act</b></p>	<p>The Government will consider this recommendation in its review of the PE&amp;E Act, having regard to the constraints imposed by section 7A of the <i>Constitution Act 1902 (NSW)</i> on legislative amendments with respect to persons capable of being elected to the Legislative Council.</p>
<p><b>20</b> The Committee recommends that the NSW Government limits the number of candidates per group on the Legislative Council ballot paper to 21.</p>	<p><b>To be considered in the ongoing review of the PE&amp;E Act</b></p>	<p>The Government will consider this recommendation in its review of the PE&amp;E Act, having regard to the constraints imposed by section 7A of the <i>Constitution Act 1902 (NSW)</i> on legislative amendments that directly or impliedly amend the Sixth Schedule. It is noted that the Sixth Schedule provides that '[f]or the purpose of a periodic Council election, 2 or more candidates may, in the manner provided by law, be included in a group in such order as may be determined by them' (Part 1, clause 3).</p>
<p><b>21</b> The Committee recommends that the NSW Government considers introducing measures to improve the readability of the Legislative Council ballot paper, including:</p> <ul style="list-style-type: none"> <li>a) increasing the size of the font on the ballot paper where possible; and</li> <li>b) introducing the display of party logos in addition to the written names of the parties.</li> </ul>	<p><b>Accept</b></p>	<p>The NSWEC has been consulted on and supports this recommendation. The NSWEC has agreed to consult with the Australian Electoral Commission in line with the recommendation.</p>

The Committee recommends that the NSW Government consults with the Australian Electoral Commission about the experience from the 2016 Federal Election of introducing party logos on the Australian Senate ballot paper.

**Challenges to the Legislative Council Election Result**

**22** The Committee recommends that the NSW Government reviews the provisions in Part 6 of the *Parliamentary Electorates and Elections Act 1912* with a view to determining the grounds [on] which an election result can be challenged and voided by the Court of Disputed Returns.

**To be considered in the ongoing review of the PE&E Act**

The Government will review the provisions of Part 6 as part of its review of the PE&E Act.

**Accessibility of Polling Places**

**23** The Committee recommends that the Electoral Commission works to increase the number of fully accessible and assisted access polling places, including for wheelchair accessibility.

**Accept**

The NSWEC has been consulted on and supports this recommendation. The NSWEC has advised that it is sometimes constrained by the availability of suitable venues, but it is committed to providing as many accessible venues as possible.

**Recruitment and Training of Polling Staff**

**24** The Committee recommends that the Electoral Commission provides appropriate training to Returning Officers and senior polling day staff about:

- a) the correct information to provide to voters on how to cast a ballot; and
- b) enforcement action that can be taken on polling day in response to unlawful conduct.

**Accept**

The NSWEC has been consulted on and supports this recommendation.

**Auditing of Political Parties**

**25** The Committee recommends that the Electoral Commission uses the materiality principle in all of its audit processes.

**Accept**

The NSWEC has already introduced materiality thresholds within its various compliance audit programs.

The NSWEC advises that, with regard to the audit of disclosures, this was first implemented for the disclosure period ending 30 June 2015. Anomalies identified which, in aggregate, are unlikely to result in an error meeting or exceeding the relevant materiality threshold will generally not be queried with the party or official agent.

With regard to the audit of public funding claims, the concept of materiality was first implemented for claims made under the Election Campaigns Fund for the 2015 State General Election and for the 2015 Administration and Policy Development Funds.

While the materiality thresholds are used in the overall assessment of risks within the risk-based approach, any inadmissible expenditure identified as part of the sample testing is disallowed, regardless of its value.

**26** The Committee recommends that each year the Electoral Commission:

**Accept in principle**

While the Government supports improved audit processes around party registration, the NSWEC advises that its current party registration system (*PPRS*) is not capable of performing the specific functions set out in the Committee's recommendation.

- a) undertakes a random audit of 25% of party members of the members submitted for registration to confirm their bona fides and that they are genuine current members of their party;
- b) conducts a full audit of party members submitted for registration if 20 or more members are found to be ineligible through the audit process;
- c) requires parties with 51 or more ineligible members to provide a new list of eligible members within three months, or be deregistered;

Replacement of the NSWEC's PPRS system would be a major ICT project that would be required to be assessed in accordance with the *NSW ICT Assurance Framework* and Treasury Gateway Policy (see Treasury Circular TC17-03). The Government will have regard to the Committee's recommendations in assessing any ICT proposals put forward by the NSWEC concerning the PPRS.

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d) allows each party to provide details of 800 members to the Commission each year to ensure parties do not lose registration because of a small number of members being deemed ineligible.

**27** The Committee recommends that the period for the lodgement of the disclosure form, including the audited financial statements, by registered political parties be extended to 20 October each year.

**Accept in principle**

The Election Funding Act currently requires the lodgement of a disclosure form by registered political parties on or before 22 September each year. Meanwhile, major political donors have until 20 October of each year to lodge their disclosures.

The NSWEC has advised that having identical due dates would be detrimental to the rate of compliance by donors because most reportable donations in NSW are received by registered political parties. It is only when a party discloses reportable donations that the NSWEC writes to the donors to advise them of their disclosure obligation.

The NSWEC receives most disclosures from donors who have received a NSWEC letter rather than because the donor has been advised by the party to disclose. If parties have an extended due date without a corresponding extension for donors, it means the NSWEC cannot write to donors about their obligation in time for donors to comply with the donor due date.

As a result, the Government will consider extending both due dates proportionally in order to give parties sufficient time to properly comply with their reporting obligations.

**Administrative Funding**

**28** The Committee recommends that section 97E of the *Election Funding, Expenditure and Disclosures Act 1981* be amended to increase the allocation of monies from the Administration Fund. The Committee recommends that the sums be increased in accordance with the

**To be considered in the ongoing review of the Election Funding Act**

The Government will consider this recommendation in its review of the Election Funding Act.

following table:

Members elected	Relevant sections to be amended	Current allocation	Proposed allocation
1	97E(3)(a)	\$250,000	\$350,000
2	97E(3)(b)	\$450,000	\$600,000
3	97E(3)(c) – (d)	\$600,000	\$750,000
Each addl Mbr after the 1st 3 elected	97E(3)(d)	\$100,000	\$120,000

**Disclosure of Political Donations**

**29** The Committee recommends that the Electoral Commission develops an online portal for the disclosure of reportable political donations and that these disclosures be made freely available to members of the public.  
 The Committee recommends that the Electoral Commission publishes reportable political donations as soon as possible after they have been received and not later than 48 hours

**Accept in principle**

The Government has provided funding to the NSWEC to develop an online funding and disclosure system.  
 The Government will consider legislative amendments to facilitate online, real-time disclosure of donations in its review of the Election Funding Act.

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following receipt.

**30** The Committee recommends that once the online portal for the disclosure of reportable political donations is available for use, individual donations at or above the amount defined as being a *reportable political donation* under section 86 of the *Election Funding, Expenditure and Disclosures Act 1981* be disclosed to the Electoral Commission in accordance with the following times:

Amount donated	Deadline for reporting
Single donations exceeding the reportable political donation:	5:00pm on the next business day following receipt
Single donations below the reportable political donation, but in aggregate with other donations from the same donor, exceed the reportable political donation:	5:00pm on the seventh calendar day following receipt

**To be considered in the ongoing review of the Election Funding Act**  
The Government will consider this recommendation in its review of the Election Funding Act.

**Restrictions on Political Donations**

**31** The Committee recommends that section 96(6) of the *Election Funding, Expenditure and Disclosures Act 1981* be amended to remove the restriction on political parties using subscription fees for campaign purposes. This would allow, but not require subscription fees to be used for

**To be considered in the ongoing review of the Election Funding Act**  
The Government will consider this recommendation in its review of the Election Funding Act.

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campaign purposes.			
<b>32</b>	The Committee recommends that section 95A of the <i>Election Funding, Expenditure and Disclosures Act 1981</i> be amended to provide an exemption on the transfer of funds from political parties to endorsed candidates of the same party.	<b>To be considered in the ongoing review of the Election Funding Act</b>	The Government will consider this recommendation in its review of the Election Funding Act, although it is noted that the proposal could provide a mechanism for circumventing the lower caps that apply to candidates as compared to political parties.
<b>Campaign Expenditure Caps</b>			
<b>33</b>	The Committee recommends that the NSW Government reviews and investigates the development of expenditure caps that take into account the increased cost of campaigning in rural and regional electorates given the increases in their geographic area after each redistribution.	<b>To be considered in the ongoing review of the Election Funding Act</b>	The Government will consider this recommendation in its review of the Election Funding Act.
<b>34</b>	The Committee recommends that the NSW Government removes the requirement for parties and candidates to vouch for advertising material by providing a copy of the advertisement where the cost is less than \$20. The \$20 threshold should apply to each individual advertisement, and not be aggregated with other expenses in respect of the same advertising provider.	<b>To be considered in the ongoing review of the Election Funding Act</b>	The Government will consider this recommendation in its review of the Election Funding Act.