

Hon Andrew Little
Minister of Justice

Proactive release – Order in Council: Electoral (Expenditure Limit) Order 2019

Date of issue: 1 July 2019

The following documents have been proactively released in accordance with Cabinet Office Circular CO (18) 4.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

No.	Document	Comments
1	Order in Council: Electoral (Expenditure Limit) Order 2019 <i>Cabinet paper</i> Office of the Minister of Justice 21 May 2019	Released in full.
2	Electoral (Expenditure Limit) Order 2019 <i>Attachment to Cabinet paper</i> Parliamentary Counsel Office 21 May 2019	Note that the copies of the regulations and commencement orders provided to Ministers with this paper have been withheld in accordance with section 61 of the Legislation Act 2012 and section 9(2)(h) of the Official Information Act 1982 to maintain legal professional privilege. The legislative instruments are publicly available from www.legislation.govt.nz .
3.	Electoral (Expenditure Limit) Order 2019 <i>Cabinet minute</i> Cabinet Office Meeting date: 21 May 2019	Released in full.

In confidence

Office of the Minister of Justice

Chair

Cabinet Legislation Committee

ORDER IN COUNCIL: ELECTORAL (EXPENDITURE LIMIT) ORDER 2019

Proposal

1. I recommend that the Cabinet Legislation Committee approve the attached Electoral (Expenditure Limit) Order 2019 for submission to the Executive Council.

Comment

2. The Electoral (Expenditure Limit) Order is a technical statutory requirement of the Electoral Act 1993 ('the Act').
3. The Order adjusts certain electoral expenditure limits to reflect movement in the Consumers Price Index All Groups ('the CPI'). This is done every year, as required by the Act.
4. Section 266A of the Act requires that certain electoral expenditure limits are adjusted annually to account for inflation. This must be done by an Order in Council coming into force on 1 July each year. The adjusted limits will apply to any election with a regulated period beginning between 1 July 2019 and 30 June 2020. This would include, for example, a by-election in the 2019/20 year.
5. This Order does not involve any new policy decisions. The Act provides that the expenditure limits below must be adjusted annually to reflect the CPI movement between the quarter ending 31 March of the previous year and the quarter ending 31 March of the current year. The limits to be adjusted are the limits on what promoters (registered and unregistered), candidates and parties can spend on election expenses, and include GST.
6. The CPI increased by 1.5% from 31 March 2018 to 31 March 2019.
7. The table below shows the current expenditure limits and the inflation-adjusted expenditure limits that will be set by this Order, coming into force on 1 July 2019. All figures have been rounded in accordance with the Act.

Table 1: change to expenditure limits

Section reference	Description of expenditure limit	Current limit (rounded) ¹	New limit (rounded) that applies from 1 July 2019 ²
204B(1)(d)	maximum amount of advertising expenses that may be incurred by an unregistered promoter	\$13,000 (rounded up from \$12,978)	\$13,200 (increases by \$200; rounded up from \$13,171)
205C(1)(a)	maximum amount of a candidate's total election expenses at a general election	\$27,100 (rounded up from \$27,039)	\$27,500 (increases by \$400; rounded up from \$27,440)
205C(1)(b)	maximum amount of a candidate's total election expenses at a by-election	\$54,100 (rounded up from \$54,077)	\$54,900 (increases by \$800; rounded up from \$54,879)
206C(1)(a)	maximum amount of a party's election expenses for a party listed in the part of the ballot paper that relates to the party vote	\$1,152,000 (rounded up from \$1,151,346)	\$1,169,000 (increases by \$17,000; rounded up from \$1,168,428)
206C(1)(b)	maximum amount of a party's election expenses for each electoral district contested by a candidate for a party listed in the part of the ballot paper that relates to the party vote	\$27,100 (rounded up from \$27,039)	\$27,500 (increases by \$400; rounded up from \$27,440)
206C(2)	maximum amount of a party's total election expenses for each electoral district contested by a candidate for a party not listed in the part of the ballot paper that relates to the party vote	\$27,100 (rounded up from \$27,039)	\$27,500 (increases by \$400; rounded up from \$27,440)
206V	maximum amount of a registered promoter's election expenses	\$325,000 (rounded up from \$324,472)	\$330,000 (increases by \$5,000; rounded up from \$329,286)

1 The Act provides that if, after adjustment, any amounts is not a whole number of hundred dollars or thousand dollars, the adjusted amount must be rounded up to the next whole hundred dollars (Sections 204B(1)(d), 205C(1)(a) and (b), and 206C(1)(b) and (2)) or thousand (Sections 206C(1)(a) and 206V).

2 The Act provides that, if an expenditure limit has been rounded up in accordance with the Act, the adjustment to that expenditure limit made the following year must be based on the unrounded figure.

Timing and 28-day rule

8. It is a requirement of Cabinet that regulations must not come into force until at least 28 days after they have been notified in the Gazette.
9. This Order in Council will come into effect on 1 July 2019. No waiver of the 28-day rule is sought.

Compliance

10. The Order complies with the following:
 - the principles of the Treaty of Waitangi
 - the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993
 - the principles and guidelines set out in the Privacy Act 1993, and
 - the Legislation Guidelines.

Regulations Review Committee

11. There are no grounds on which the Regulations Review Committee should draw the Order to the special attention of the House in accordance with Standing Order 315.

Certification by Parliamentary Counsel

12. Parliamentary Counsel has certified the Order in Council as being in order for submission to the Executive Council.

Regulatory impact analysis

13. The Regulatory Quality Team at The Treasury confirms that no formal Regulatory Impact Assessment is required for this proposal, since it is expected to have only minor impacts and for only a limited group.

Publicity

14. For elections with a regulated period beginning after 1 July 2019 the Electoral Commission will publicise the 2019 adjusted expenditure limits.

Consultation

15. The Electoral Commission, Statistics New Zealand, and Treasury have been consulted on this paper. The Department of the Prime Minister and Cabinet has been informed of the contents of the paper.

Recommendations

16. I recommend that the Cabinet Legislation Committee:

1. **Note** the Electoral (Expenditure Limit) Order 2019 gives effect to the provisions of section 266A of the Electoral Act 1993 by adjusting electoral expenditure limits as follows (all figures are inclusive of GST):
 - 1.1. the maximum amount of advertising expenses that may be incurred by an unregistered promoter from \$13,000 to \$13,200;
 - 1.2. the maximum amount of a candidate's total election expenses at a general election from \$27,100 to \$27,500;
 - 1.3. the maximum amount of a candidate's total election expenses at a by-election from \$54,100 to \$54,900;
 - 1.4. the maximum amount of a party's election expenses from \$1,152,000 to \$1,169,000 for a party listed in the part of a ballot paper that relates to the party vote;
 - 1.5. the maximum amount of a party's election expenses for each electoral district contested by a candidate for the party from \$27,100 to \$27,500 for a party listed in the part of a ballot paper that relates to the party vote;
 - 1.6. the maximum amount of a party's total election expenses for each electoral district contested by a candidate for the party from \$27,100 to \$27,500 for a party not listed in the part of the ballot paper that relates to the party vote;
 - 1.7. the maximum amount of a registered promoter's election expenses from \$325,000 to \$330,000;
2. **Note** that the Electoral (Expenditure Limit) Order 2019 comes into force on 1 July 2019, and will apply to an election with a regulated period beginning after this date;
3. **Authorise** the submission to the Executive Council of the Electoral (Expenditure Limit) Order 2019.

Authorised for lodgement

Hon Andrew Little
Minister of Justice

Attached: Electoral (Expenditure Limit) Order 2019



Cabinet Legislation Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Electoral (Expenditure Limit) Order 2019

Portfolio Justice

On 21 May 2019, the Cabinet Legislation Committee:

- 1 **noted** the Electoral (Expenditure Limit) Order 2019 gives effect to the provisions of section 266A of the Electoral Act 1993 by adjusting electoral expenditure limits as follows (all figures are inclusive of GST):
 - 1.1 the maximum amount of advertising expenses that may be incurred by an unregistered promoter from \$13,000 to \$13,200;
 - 1.2 the maximum amount of a candidate's total election expenses at a general election from \$27,100 to \$27,500;
 - 1.3 the maximum amount of a candidate's total election expenses at a by-election from \$54,100 to \$54,900;
 - 1.4 the maximum amount of a party's election expenses from \$1,152,000 to \$1,169,000 for a party listed in the part of a ballot paper that relates to the party vote;
 - 1.5 the maximum amount of a party's election expenses for each electoral district contested by a candidate for the party from \$27,100 to \$27,500 for a party listed in the part of a ballot paper that relates to the party vote;
 - 1.6 the maximum amount of a party's total election expenses for each electoral district contested by a candidate for the party from \$27,100 to \$27,500 for a party not listed in the part of the ballot paper that relates to the party vote;
 - 1.7 the maximum amount of a registered promoter's election expenses from \$325,000 to \$330,000;
- 2 **noted** that the Electoral (Expenditure Limit) Order 2019 comes into force on 1 July 2019, and will apply to an election with a regulated period beginning after this date;
- 3 **authorised** the submission to the Executive Council of the Electoral (Expenditure Limit) Order 2019 [PCO 22097/3.0].

Vivien Meek
Committee Secretary

Hard-copy distribution: (see over)

Present:

Hon Chris Hipkins (Chair)
Hon Stuart Nash
Hon Iain Lees-Galloway
Hon Tracey Martin
Hon Kris Faafoi
Hon Peeni Henare
Hon Eugenie Sage

Officials present from:

Office of the Prime Minister
Officials Committee for LEG

Hard-copy distribution:

Minister of Justice

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