

Hon Andrew Little
Minister of Justice

Proactive release – Orders in Council: Electoral (Expenditure Limit) Order 2020

Date of issue: 30 June 2020

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	Orders in Council: Electoral (Expenditure Limit) Order 2020 <i>Cabinet paper</i>	Released in full.
2	Electoral (Expenditure Limit) Order 2020 <i>Attachments to Cabinet paper</i>	Note that the copies of the Order 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.	LEG-20-MIN-0051 <i>Cabinet minute</i> Meeting date: 12 May 2020	Released in full.

In confidence

Office of the Minister of Justice

Chair

Cabinet Legislation Committee

ORDER IN COUNCIL: ELECTORAL (EXPENDITURE LIMIT) ORDER 2020

Proposal

1. I recommend that the Cabinet Legislation Committee approve the attached Electoral (Expenditure Limit) Order 2020 for submission to the Executive Council.

Electoral (Expenditure Limit) Order

2. The Electoral (Expenditure Limit) Order adjusts certain electoral expenditure limits to reflect movement in the Consumers Price Index All Groups ('the CPI').
3. 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.
4. 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.
5. The CPI increased by 2.5% from 31 March 2019 to 31 March 2020.
6. 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 2020. All figures have been rounded in accordance with the Act.
7. These adjusted limits will apply to any election, or by-election, with a regulated period beginning between 1 July 2020 and 30 June 2021.
8. This means that the changes to expenditure limits made by this Order in Council will not apply to the 2020 General Election or referendums scheduled for 19 September 2020. The current limits as set out in the Electoral (Expenditure Limit) Order 2019 will apply. This is because the regulated period for the 2020 General Election begins on 19 June 2020, prior to this Order coming into force.

Table 1: change to expenditure limits

Section reference	Description of expenditure limit	Current limit (rounded) ¹	New limit (rounded) that applies from 1 July 2020 ²
204B(1)(d)	Maximum amount of advertising expenses that may be incurred by an unregistered promoter	\$13,200 (rounded up from \$13,171)	\$13,600 (increases by \$400 rounded up from \$13,505)
205C(1)(a)	Maximum amount of a candidate's total election expenses at a general election	\$27,500 (rounded up from \$27,440)	\$28,200 (increases by \$700; rounded up from \$28,135)
205C(1)(b)	Maximum amount of a candidate's total election expenses at a by-election	\$54,900 (rounded up from \$54,879)	\$56,300 (increases by \$1,400; rounded up from \$56,270)
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	\$1,169,000 (rounded up from \$1,168,428)	\$1,199,000 (increases by \$30,000 rounded up from \$1,198,037)
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	\$27,500 (rounded up from \$27,440)	\$28,200 (increases by \$700 rounded up from \$28,135)
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	\$27,500 (rounded up from \$27,440)	\$28,200 (increases by \$700; rounded up from \$28,135)
206V	Maximum amount of a registered promoter's election expenses	\$330,000 (rounded up from \$329,286)	\$338,000 (increases by \$8,000 rounded up from \$337,630)

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

9. The Electoral (Expenditure Limit) Order will come into effect on 1 July 2020. It will not apply to the General Election scheduled for 19 September 2020. 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 has determined that the regulatory proposals in this paper are exempt from the requirement to provide a Regulatory Impact Assessment on the basis that they have no or minor impacts on businesses, individuals or not for profit entities.

Publicity

14. The 2020 General Election will be subject to the current expenditure limits set by the Electoral (Expenditure Limit) Order 2019, as it has a regulated period starting 19 June 2020. This will be publicised by the Electoral Commission in its handbooks and correspondence with party secretaries, candidates and third parties, and through its website.
15. For elections with a regulated period beginning after 1 July 2020 the Electoral Commission will publicise the 2020 adjusted expenditure limits.

Proactive Release

16. I will proactively release this paper in accordance with Cabinet Office Circular CO (18) 4.

Consultation

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

Recommendations

18. I recommend that the Cabinet Legislation Committee:

1. **Note** the Electoral (Expenditure Limit) Order 2020 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 \$13,200 to \$13,600;
 - 1.2. the maximum amount of a candidate's total election expenses at a general election from \$27,500 to \$28,200;
 - 1.3. the maximum amount of a candidate's total election expenses at a by-election from \$54,900 to \$56,300;
 - 1.4. the maximum amount of a party's election expenses from \$1,169,000 to \$1,199,000 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 \$27,500 to \$28,200 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 \$27,500 to \$28,200 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 \$330,000 to \$338,000;
2. **note** that the Electoral (Expenditure Limit) Order 2020 comes into force on 1 July 2020, and will apply to an election with a regulated period beginning after this date; and
3. **authorise** the submission to the Executive Council of the Electoral (Expenditure Limit) Order 2020.

Authorised for lodgement

Hon Andrew Little
Minister of Justice

Attached: Electoral (Expenditure Limit) Order 2020



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 2020

Portfolio Justice

On 12 May 2020, the Cabinet Legislation Committee:

- 1 **noted** that the Electoral (Expenditure Limit) Order 2020 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 \$13,200 to \$13,600;
 - 1.2 the maximum amount of a candidate's total election expenses at a general election from \$27,500 to \$28,200;
 - 1.3 the maximum amount of a candidate's total election expenses at a by-election from \$54,900 to \$56,300;
 - 1.4 the maximum amount of a party's election expenses from \$1,169,000 to \$1,199,000 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 \$27,500 to \$28,200 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 \$27,500 to \$28,200 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 \$330,000 to \$338,000;
- 2 **noted** that the Electoral (Expenditure Limit) Order 2020 comes into force on 1 July 2020, 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 2020 [PCO 22902/4.0].

Gerrard Carter
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Dr Megan Woods
Hon Chris Hipkins (Chair)
Hon Andrew Little
Hon Carmel Sepuloni
Hon Stuart Nash
Hon Damien O'Connor
Hon Tracey Martin
Hon Julie Ann Genter
Hon Eugenie Sage

Officials present from:

Officials Committee for LEG

RELEASED BY THE MINISTER OF JUSTICE