

**Hon Andrew Little**  
Minister of Justice

**Proactive release – Orders in Council: Electoral (Expenditure Limit) Order 2021**

Date of issue: 30 June 2021

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	<b>Orders in Council: Electoral (Expenditure Limit) Order 2021</b> <i>Cabinet paper</i>	Released in full.
2	<b>Electoral (Expenditure Limit) Order 2021</b>  Attachments to Cabinet paper	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 <a href="http://www.legislation.govt.nz">www.legislation.govt.nz</a> .
3.	<b>LEG-21-MIN-0068</b> <i>Cabinet minute</i> Meeting date: 20 May 2021	Released in full.

Chair

Cabinet Legislation Committee

## **ORDER IN COUNCIL: ELECTORAL (EXPENDITURE LIMIT) ORDER 2021**

### **Proposal**

1. I recommend that the Cabinet Legislation Committee approve the attached Electoral (Expenditure Limit) Order 2021 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 1.5% from 31 March 2020 to 31 March 2021.
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 2021. 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 2021 and 30 June 2022.

Table 1: change to expenditure limits

Section reference	Description of expenditure limit	Current limit (rounded) <sup>1</sup>	New limit (rounded) that applies from 1 July 2021 <sup>2</sup>
204B(1)(d)	Maximum amount of advertising expenses that may be incurred by an unregistered promoter	\$13,600 (rounded up from \$13,505)	\$13,800 (rounded up from \$13,710)
205C(1)(a)	Maximum amount of a candidate's total election expenses at a general election	\$28,200 (rounded up from \$28,135)	\$28,600 (rounded up from \$28,563)
205C(1)(b)	Maximum amount of a candidate's total election expenses at a by-election	\$56,300 (rounded up from \$56,270)	\$57,200 (rounded up from \$57,126)
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	\$1,199,000 (rounded up from \$1,198,037)	\$1,217,000 (rounded up from \$1,216,258)
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	\$28,200 (rounded up from \$28,135)	\$28,600 (rounded up from \$28,563)
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	\$28,200 (rounded up from \$28,135)	\$28,600 (rounded up from \$28,563)
206V	Maximum amount of a registered promoter's election expenses	\$338,000 (rounded up from \$337,630)	\$343,000 (rounded up from \$342,766)

### Timing and 28-day rule

8. The Electoral (Expenditure Limit) Order will come into effect on 1 July 2021. No waiver of the 28-day rule is sought.

### Compliance

9. The Order complies with the following:
- the principles of the Treaty of Waitangi

<sup>1</sup> 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).

<sup>2</sup> 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.

- 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**

10. 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 327.

### **Certification by Parliamentary Counsel**

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

### **Regulatory impact analysis**

12. The Regulatory Impact Analysis Team at the Treasury has determined that proposal to adjust electoral expenditure limits to account for inflation is exempt from the requirement to provide a Regulatory Impact Statement on the ground that government has limited statutory decision-making discretion or responsibility for the content of proposed delegated legislation.

### **Publicity**

13. For by-elections with a regulated period beginning after 1 July 2021 the Electoral Commission will publicise the 2021 adjusted expenditure limits.

### **Proactive Release**

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

### **Consultation**

15. 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**

16. I recommend that the Cabinet Legislation Committee:
  1. **Note** the Electoral (Expenditure Limit) Order 2021 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 \$13,600 to \$13,800
    - 1.2. the maximum amount of a candidate's total election expenses at a general election from \$28,200 to \$28,600;

- 1.3. the maximum amount of a candidate's total election expenses at a by-election from \$56,300 to \$57,200;
- 1.4. the maximum amount of a party's election expenses from \$1,199,000 to \$1,217,000 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 \$28,200 to \$28,600 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 \$28,200 to \$28,600 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 \$338,000 to \$343,000;
2. **note** that the Electoral (Expenditure Limit) Order 2021 comes into force on 1 July 2021, 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 2021.

Authorised for lodgement

Hon Kris Faafoi  
Minister of Justice

Attached: Electoral (Expenditure Limit) Order 2021



# 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 2021

Portfolio Justice

On 20 May 2021, the Cabinet Legislation Committee:

- 1 **noted** that the Electoral (Expenditure Limit) Order 2021 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 \$13,600 to \$13,800;
  - 1.2 the maximum amount of a candidate's total election expenses at a general election from \$28,200 to \$28,600;
  - 1.3 the maximum amount of a candidate's total election expenses at a by-election from \$56,300 to \$57,200;
  - 1.4 the maximum amount of a party's election expenses from \$1,199,000 to \$1,217,000 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 \$28,200 to \$28,600 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 \$28,200 to \$28,600 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 \$338,000 to \$343,000;
- 2 **noted** that the Electoral (Expenditure Limit) Order 2021 comes into force on 1 July 2021, 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 2021 [PCO 23725/2.0].

Rebecca Davies  
Committee Secretary

See over for attendance

**Present:**

Hon Chris Hipkins (Chair)  
Hon Megan Woods  
Hon Carmel Sepuloni  
Hon Andrew Little  
Hon David Parker  
Hon Poto Williams  
Hon Kris Faafoi  
Hon Jan Tinetti  
Hon Michael Wood (Deputy Chair)  
Hon Ayesha Verrall  
Hon Meka Whaitiri  
Kieran McAnulty, MP (Senior Government Whip)

**Officials present from:**

Office of the Prime Minister  
Officials Committee for LEG

Proactively Released