## Hon Kris Faafoi

Minister of Justice

## Proactive release – Electoral (Expenditure Limit) Order 2022

Date of issue:13 June 2022

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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.	Electoral (Expenditure Limit) Order 2022	Released in full.
	Cabinet Paper	
	Office of the Minister of Justice	
	19 May 2022	
2.	Electoral (Expenditure Limit) Order 2022	Note that the copies of the Order provided
	Attachment to Cabinet paper	to Ministers with this paper have been
	19 May 2022	withheld in accordance with section 131 of
		the Legislation Act 2019 and section
		9(2)(h) of the Official Information Act 1982
		to maintain legal professional privilege.
		The legislative instruments are publicly
		available from <u>www.legislation.govt.nz</u> .
3.	Electoral (Expenditure Limit) Order 2022	Released in full.
	Cabinet Minute LEG-22-MIN-0078	
	Cabinet Office	
	19 May 2022	

In Confidence

Office of the Minister for Justice Cabinet Legislation Committee

#### Order in Council: Electoral (Expenditure Limit) Order 2022

#### Proposal

1 I recommend that the Cabinet Legislation Committee approve the attached Electoral (Expenditure Limit) Order 2022 for submission to the Executive Council.

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#### Electoral (Expenditure Limit) Order 2022

- 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 The 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 6.9% from 31 March 2021 to 31 March 2022.
- 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 2022. 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 2022 and 30 June 2023. The new limits will therefore **not** apply for the upcoming Tauranga by-election on Saturday 18 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 2022 <sup>2</sup>
204B(1)(d)	Maximum amount of advertising expenses that may be incurred by an unregistered promoter	\$13,800 (rounded up from \$13,710)	\$14,700 (rounded up from \$14,660)
205C(1)(a)	Maximum amount of a candidate's total election expenses at a general election	\$28,600 (rounded up from \$28,563)	\$30,600 (rounded up from \$30,542)
205C(1)(b)	Maximum amount of a candidate's total election expenses at a by-election	\$57,200 (rounded up from \$57,126)	\$61,100 (rounded up from \$61,084)
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	\$1,217,000 (rounded up from \$1,216,258)	\$1,301,000 (rounded up from \$1,300,531)
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	\$28,600 (rounded up from \$28,563)	\$30,600 (rounded up from \$30,542)
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	\$28,600 (rounded up from \$28,563)	\$30,600 (rounded up from \$30,542)
206V	Maximum amount of a registered promoter's election expenses	\$343,000 (rounded up from \$342,766)	\$367,000 (rounded up from \$366,515)

## Timing and 28-day rule

8 The Electoral (Expenditure Limit) Order will come into effect on 1 July 2022. No waiver of the 28-day rule is sought.

<sup>&</sup>lt;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>&</sup>lt;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.

#### Compliance

- 9 The Order complies with the following:
  - 9.1 the principles of the Treaty of Waitangi;
  - 9.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
  - 9.3 the principles and guidelines set out in the Privacy Act 2020;
  - 9.4 relevant international standards and obligations; and
  - 9.5 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.

#### **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 grounds 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 2022 the Electoral Commission will publicise the 2022 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.

#### Recommendations

- 16 I recommend that the Cabinet Legislation Committee:
- 1 **note** the Electoral (Expenditure Limit) Order 2022 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 \$13,800 to \$14,700;
  - 1.2 the maximum amount of a candidate's total election expenses at a general election from \$28,600 to \$30,600;
  - 1.3 the maximum amount of a candidate's total election expenses at a byelection from \$57,200 to \$61,100;
  - 1.4 the maximum amount of a party's election expenses from \$1,217,000 to \$1,301,000 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 \$28,600 to \$30,600 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 \$28,600 to \$30,600 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 \$343,000 to \$367,000;
- 2 note that the Electoral (Expenditure Limit) Order 2022 comes into force on 1 July 2022, 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 2022

Authorised for lodgement

Hon Kris Faafoi Minister for Justice

Attached: Electoral (Expenditure Limit) Order 2022



# 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 2022

#### Portfolio Justice

On 19 May 2022, the Cabinet Legislation Committee:

- 1 noted the Electoral (Expenditure Limit) Order 2022 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 \$13,800 to \$14,700;
  - 1.2 the maximum amount of a candidate's total election expenses at a general election from \$28,600 to \$30,600;
  - 1.3 the maximum amount of a candidate's total election expenses at a by-election from \$57,200 to \$61,100;
  - 1.4 the maximum amount of a party's election expenses from \$1,217,000 to\$1,301,000 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 \$28,600 to \$30,600 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 \$28,600 to \$30,600 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 \$343,000 to \$367,000;
- 2 **noted** that the Electoral (Expenditure Limit) Order 2022 comes into force on 1 July 2022, 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 2022 [PCO 24732/3.0].

Rebecca Davies Committee Secretary

#### Distribution: (see over)

#### IN CONFIDENCE

#### Present:

Hon Chris Hipkins (Chair) Hon Andrew Little Hon David Parker Hon Kris Faafoi Hon Jan Tinetti Hon Kiri Allan Hon Dr David Clark Hon Dr Ayesha Verrall Hon Aupito William Sio Hon Meka Whaitiri **Officials present from:** Office of the Prime Minister Officials Committee for LEG

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