

Submission by the Liberal Party of Australia
To the Joint Standing Committee on Electoral Matters
Inquiry into the 2007 Election

The Liberal Party welcomes the opportunity of this Inquiry to present its views to the Joint Standing Committee on Electoral Matters on issues relating to the conduct of the 2007 Federal election.

The work of the Committee in each Parliament reviewing the previous Federal election is an important and valuable contribution to improving electoral law and administration in Australia. Every election is an expression of Australia's democracy, and the integrity of the conduct of elections is an essential part of maintaining and strengthening democracy in this country. Australia at all times needs an open and accountable electoral system conducted fairly and efficiently. This is crucial for the confidence of the Australian people in our electoral system, as well as being important to particular stake-holders such as the political parties. The regular JSCEM inquiry after each election is therefore a significant event. It also gives the opportunity for an overall examination of all the inter-related issues surrounding the Commonwealth Electoral Act.

Australian Electoral Commission

The Liberal Party commends the AEC on its administration of the 2007 election. While we have a number of comments and suggestions to make, it is our view that overall the operation of the election was well managed. It clearly built on the experience and feedback of previous campaigns. We are particularly pleased with the increased liaison between the AEC and key stakeholders including, in particular, the political parties since the 2004 election. It is clear this feedback led directly to improvements in the administration of the election and we commend the Commission for its approach and willingness to engage with the Parties. As an example, the process surrounding Postal Vote Applications was improved (although there remain aspects on which we comment elsewhere in this submission). We believe this has been a very valuable process and urge the Commission to continue the process of liaison with the parties and other interested community groups in the years ahead.

Electoral Reform

The approach taken by the Labor Government to electoral reform is regrettable and not conducive to building a bi-partisan and factually-

based consensus in support of change. The Government's decision to introduce bills to remove the tax deductibility of political donations and to amend several other aspects of political finance without waiting for this Committee to conduct its inquiry and to consider all aspects of the issues involved is piecemeal and knee-jerk. It is also confusing as the Government has also announced that it will release a Green Paper on electoral change, in two parts, later in the year. This of course does not sit readily with the deadline for submitting submissions to this Inquiry. It means that the Parliament, when considering the Bills currently before it, is doing so without a clear indication of the direction in which the Government intends to take the electoral framework. It makes the current task of this Committee, regrettably, almost irrelevant.

We believe the sensible approach is for the Government to withdraw the current bills and wait until the Green Paper appears, so that all issues are considered in a comprehensive way. The Liberal Party also points to the fact that no problems have been identified with the changes which were legislated in the last Parliament. The current system is working and the case for change has not been demonstrated. We caution against reversing reforms that have in our view improved the operation and effectiveness of the Act.

However, if the Government wishes to propose changes, we will be open to practical suggestions that improve the quality of Australian democracy and treat all parties fairly and equally (and do not cause excessive additional burdens for parties' administrations). This should, however, be done in a comprehensive way following extensive debate and consideration of the Green Paper. There clearly is a problem with the culture of the New South Wales ALP, but it is the responsibility of the ALP to deal with that. The current legislative framework allows Labor to do this if it is serious about reforming itself. Additional legislative change will make no difference if Labor lacks the will to reform.

Trade Union Spending

A major and unprecedented feature of the 2007 election was the massive amount of spending by the trade union movement in the campaign against the Coalition Government. Not only was there a substantial flow of funding and resources from unions to the Labor Party for its campaign, but there was also an exceptionally high level of direct union spending on its own campaign against the Coalition. The union campaign was at three levels: a national television and radio campaign, the funding of full time campaign workers for over twelve months in key marginal seats, and a campaign in individual workplaces.

The ACTU spent over \$14 million on television advertising in the twelve months before election day. *This was more than either of the two major parties spent on television in the campaign!*

This development has profound significance for Australian democracy and deserves full investigation by this Committee. The Liberal Party does not object to unions taking part in the political process but it is a matter of serious concern for Australians when organisations not themselves political parties can intervene in the electoral process on such a massive scale. The potential for distortion of our democratic processes is large, and we do not believe any review of the 2007 election can ignore this problem.

Provisional Voting

A requirement for proof of identity for provisional voting was introduced into the Act in the last Parliament. In previous submissions we have expressed concerns about abuse of the provisional voting system. The changes in the number of provisional votes admitted to the count in 2007 reinforce us in the view that there had previously been problems that the POI requirement has helped to address. The change made by the last Parliament was clearly a desirable reform which has enhanced the integrity of our electoral system. No evidence has been produced to support the need for further change or reversion to the previous standard. In fact, the operation of the new standard in 2007 clearly showed the importance of the new standard.

Proof of Identify for Enrolment

Another important reform made by the last Parliament was the introduction of Proof of Identity requirements for enrolment. Correct enrolment is at the heart of the integrity of our electoral system. Appropriate proof of identity for enrolment is an elementary standard to maintain confidence in the electoral roll. The change made by the last Parliament corrected an anomaly and has worked smoothly. It is important for public confidence in our electoral system that this reform continues and is not ended or watered down.

Close of Roll

The improvements made to close of roll arrangements by legislation in the last Parliament (so that new enrollees have until the day of the issue of the writ to enrol and current enrollees have until three working days later to change their details) were an important change to assist in enhancing the integrity of the electoral roll. We believe that these changes worked well in 2007 and that there is no reason to change the

timings of the close of roll. We reject the Labor rhetoric alleging the new procedures are unfair. In fact, the evidence is to the contrary.

Public Holidays and Close of Roll

Section 155 of the Commonwealth Electoral Act requires that the date for the close of roll is fixed as three working days after the date of the writ. However, a public holiday in any State or Territory is not to be counted as a working day for this purpose. While this makes sense for a general election, it is an anomaly when it applies to a by-election. In the case of the Gippsland by-election, being an electorate in Victoria, the date for close of rolls had to be fixed taking into account three days that were public holidays in different parts of Queensland. We believe that section 155 should be amended so that at a by-election the working days are calculated only with regard to public holidays that occur in part or all of the electorate concerned.

Financial

Since the Government's Green Paper referring to political finance matters has not yet been published, we will not discuss these matters in detail in this submission. The Liberal Party will have comments to make on those matters in due course. We made the point, in our previous submission to the Committee on the tax deductibility of political donations issue, that these matters are interrelated and we saw no case for treating the tax deductibility question in isolation. We take a similar view of the bill that the Government introduced into the Senate on 15 May this year. We see no case for such a bill to be rushed through the Parliament without all the issues being fully considered by the Committee and by all stakeholders in light of whatever further proposals the Government wishes to put forward in its Green Paper. We see no public policy merit in any short-term arbitrary commencement date such as 1 July for the latest bill, and so we oppose any attempt at hasty consideration of the bill.

The actions of the trade union movement in intervening directly in the 2007 campaign highlight the importance of appropriate laws regarding the financing of political parties and campaigns. The Liberal Party welcomes a robust public discussion on this issue. We are open to considering changes which strengthen Australian democracy. We will reject clearly partisan or piecemeal proposals which limit the capacity of any political party to function and campaign effectively, particularly while in Opposition. An effective Opposition is central to a strong democracy and an ability to fundraise is critical to the ability of any Party to offer a strong alternative at election time.

One point that the Committee may wish to consider reviewing is the anomaly that disclosure requirements of Federal law are different to the disclosure laws in some states. This is a cause of additional complexity for parties and for donors, and it deserves being looked at in due course to see whether there is a way of reducing or eliminating the differences.

The Liberal Party is also concerned at the growing administrative burden involved in accessing public funding of political parties. The Liberal Party is completely committed to meeting the relevant requirements and guidelines designed to ensure that the spirit and intent of the relevant legislation is met. However, all the major parties have limited resources and recent trends to increase the administrative burden on the parties, without any improvement in transparency and in the absence of indications of systematic failures by the parties to meet the disclosure standards, are significantly adding to the cost pressures and administrative burden for the parties.

Postal Vote Applications

The Liberal Party is concerned at the growing complexity of the postal vote application form. It is desirable that the information it carries is as simple and clear as possible. We do not consider this to be the case at present, and we urge that the AEC give attention to reducing the level of detail it currently requires to be part of the official PVA. To the extent this information is required by law, we urge the Committee to recommend a simplification.

It is also important for the form of the PVA for a given election to be gazetted well ahead of that election. We recommend that the gazetting of the PVA should occur at least six months ahead of the likely date of an election.

Informal Votes

The number of informal votes at the 2007 election appears to have fallen significantly. This is a welcome development and the Liberal Party commends the AEC on the consultative approach it took after the 2004 election to ensure its advertising and information campaigns were effective. We believe it is important the AEC continues to produce advertising and information campaigns that target informality. In doing so we encourage the AEC to again work in consultation with the parties to ensure the most simple and effective campaigns are developed.

Counting of Pre-Poll Votes

A long standing anomaly of our current electoral system is the delay in the counting of pre-poll votes. The Liberal Party would support any review of the current arrangements and, in particular, any proposal that would change the arrangements for pre-poll votes so that these votes are counted on the evening of election day, when ordinary votes are counted, and not left until following days. This is a simple and straight-forward change which would assist in getting a speedier outcome in seats with close results.