

Public funding

Background

- 2.1 Part XX of the *Commonwealth Electoral Act 1918* provides for public funding of election campaigns to be made available to candidates and political parties who receive at least 4 per cent of the formal first preference vote.
- 2.2 Legislation enabling the provision of public funding to candidates and political parties was passed by Parliament in 1983 and commenced on 21 February 1984. Public funding first applied for the federal election held on 1 December 1984.¹
- 2.3 Public funding is an important feature of a wider funding and disclosure scheme and was initially provided on the basis of a reimbursement of expenditure incurred for election campaigns up to the limit of entitlement.²
- 2.4 Public funding was implemented in order to ensure candidates were not disadvantaged in their appeal to electors or unduly influenced in their subsequent actions by lack of access to adequate funding. The value of funding was initially calculated on a formula which applied the cost of two postage stamps to each House of Representatives vote received (61.2 cents) and one postage stamp to each Senate vote received (30.6 cents).³

1 Australian Electoral Commission, submission 11 to the inquiry into funding and disclosure (26 April 2004), p. 5.

2 Australian Electoral Commission, submission 11 to the inquiry into funding and disclosure (26 April 2004), p. 5.

3 Australian Electoral Commission, submission 11 to the inquiry into funding and disclosure (26 April 2004), p. 5.

- 2.5 In order to qualify for election funding, a candidate or Senate group must obtain 4 per cent or more of the formal first preference vote in the electorate contested. The public funding rate is indexed to the Consumer Price Index (CPI) and is adjusted twice a year to reflect CPI changes. The 4 per cent threshold for funding has remained unchanged since public funding was introduced.⁴
- 2.6 Public funding is paid to registered candidates, or where registered political parties had endorsed those candidates, to the registered political parties.⁵
- 2.7 Up until, and including the 1993 election, public funding operated as a strict reimbursement of campaign expenses, with the Australian Electoral Commission examining the original documentation evidencing campaign expenditure incurred by candidates and political parties. Payments were based on the amount of proven expenditure or the full funding entitlement, whichever was the smaller.⁶
- 2.8 Amendments contained in the *Commonwealth Electoral Amendment Act 1995* saw the basis for election funding change to a system of direct payments, regardless of actual expenditure. As a result of these amendments, the rate per vote for House of Representatives and Senate votes was increased to 150 cents per vote, and parties and independent candidates were no longer required to submit detailed claims.⁷
- 2.9 Further, branches of registered political parties became entitled to enter into signed agreements to redirect the payment of their election funding to another party or branch or, as was the case for the Australian Democrats, to appoint a principal agent to whom the entitlements of all branches of the party were to be paid.⁸
- 2.10 The total amount of public funding has increased significantly over time, with rises in both the number of electors and the rate paid per House of Representatives and Senate votes (table 2.1).

4 Australian Electoral Commission, *AEC Electoral Pocketbook 2007*, p. 67.

5 Australian Electoral Commission, *AEC Electoral Pocketbook 2007*, p. 67.

6 Australian Electoral Commission (1997), *Australian Electoral Commission Funding and Disclosure Report following the Federal Election held on 2 March 1996*, p. 3.

7 Australian Electoral Commission (1997), *Australian Electoral Commission Funding and Disclosure Report following the Federal Election held on 2 March 1996*, p. 3.

8 Australian Electoral Commission (1997), *Australian Electoral Commission Funding and Disclosure Report following the Federal Election held on 2 March 1996*, p. 3.

Table 2.1 Public funding for federal elections, 1984 to 2007

Election	Threshold for Public Funding (per cent)	Rate per House of Representatives vote (cents)	Rate per Senate vote (cents)	Total public funding payments (\$)
1984	4%	61.2	30.6	\$7,806,778.00
1987	4%	76.296	38.148	\$10,298,657.00
1990	4%	91.223	45.611	\$12,878,920.00
1993	4%	100.787	50.393	\$14,898,807.00
1996	4%	157.594	157.594	\$32,154,800.55
1998	4%	162.210	162.210	\$33,920,787.43
2001	4%	179.026	179.026	\$38,559,409.33
2004	4%	194.397	194.397	\$41,926,158.91
2007	4%	210.027	210.027	\$49,002,638.51

Source Australian Electoral Commission, submission 3, pp. 10–12; Australian Electoral Commission (1997), *Australian Electoral Commission Funding and Disclosure Report following the Federal Election held on 2 March 1996*, p. 3.

- 2.11 Under current arrangements, election funding is paid in two stages. First, the Australian Electoral Commission calculates the amount of election funding due based on the number of votes counted at the 20th day after election day and pays at least 95 per cent of that amount. Second, once the vote counting is finalised, the Commission pays the remainder of the amount of election funding due.⁹
- 2.12 For candidates and Senate groups endorsed by registered political parties, payments are made directly to their parties. Unendorsed candidates and Senate groups receive their payments direct, unless they have appointed an agent who is to receive the payment.¹⁰
- 2.13 For the 2007 election, total public funding paid was \$49,002,638.51. An initial payment of \$46,536,277.23 was made on 17 December 2007. This represented 95 per cent of the amount due based on the votes counted by 24 November. The remaining 5 per cent of \$2,466,361.28 was paid on 9 January 2008.¹¹
- 2.14 While the major political parties receive the largest share of public funding, accounting for over 97 per cent of public funding for the 2007

9 Australian Electoral Commission (2008), *AEC Electoral Pocket Book 2007*, p. 67.

10 Australian Electoral Commission (2008), *AEC Electoral Pocket Book 2007*, p. 67.

11 Australian Electoral Commission, 2007 Federal Election Funding Payments, viewed on 1 October 2008 at http://www.aec.gov.au/Elections/federal_elections/2007/election_funding_payment.htm.

election, the remaining parties and independent candidates shared in almost \$1.3 million (table 2.2).¹²

Table 2.2 Distribution of election funding, 2004 and 2007 federal elections, by party

Party	2004 election		2007 election		% change 2004 to 2007
	\$'000	Share of total (%)	\$'000	Share of total (%)	
Australian Labor Party	16,710	39.86	22,030	44.96	+5.10
Liberal Party of Australia	17,956	42.83	18,134	37.01	-5.82
Australian Greens (all related parties)	3,317	7.91	4,371	8.92	+1.01
National Party of Australia	2,967	7.08	3,240	6.61	-0.47
Pauline's United Australia Party	-	-	213	0.43	+0.43
Northern Territory Country Liberal Party	159	0.38	169	0.34	-0.04
Family First	158	0.38	141	0.29	-0.09
One Nation	56	0.13	0	0	-0.13
Australian Democrats	8	0.02	0	0	-0.02
Others	595	1.41	705	1.44	+0.03
Total	41,926	100.00	49,003	100	

Source Australian Electoral Commission, submission 3, p. 11.

2.15 Over the past three elections it has been relatively rare that a candidate receives more public funding than they spend on their campaign (table 2.3). The major exception is the Hanson group of candidates in the 2004 election, who pocketed almost \$200,000 of public funding yet expended only \$35,427 on their campaign. Although rare, concerns remain about the potential for 'profiteering' and the effect this has on the integrity of the public funding system.¹³

12 Australian Electoral Commission, submission 3, p. 2.

13 See Joint Standing Committee on Electoral Matters (2005), *The 2004 Federal Election: Report of the Inquiry into the conduct of the 2004 federal election and matters related thereto*, pp. 325–327.

Table 2.3 Public funding, donations and electoral expenditure of selected independent candidates and Senate groups

	2001 election			2004 election			2007 election		
	Donations	Electoral expenditure	Election funding	Donations	Electoral expenditure	Election funding	Donations	Electoral expenditure	Election funding
Andren	2,200	40,761	73,018	950	27,105	79,413			
Haigh	43,505	62,000	8,301	200	1,161	7,381			
Katter	45,297	40,121	63,653	34,002	74,662	63,544	82,732	97,977	68,336
Windsor	91,900	115,519	64,435	56,121	76,828	89,563	123,850	136,044	110,756
Bryant				25,200	59,384	12,121	20,150	59,386	9,184
Bargshoon				116,822	76,536	7,346			
Deegan				11,585	26,082	24,449			
Hedberg				35,200	92,967	19,401			
King				119,184	138,356	25,730			
Menzel				102,030	89,773	10,978			
Power					26,596	9,980			
Hanson Group				5,000	35,427	199,887			
Pauline's United Australia Party							(a)	(a)	213,095
Xenophon							(b)	(b)	312,497
Priestley							15,500	72,520	39,979
Horan							73,930	85,581	35,910
Brunning							5,050	11,754	20,843

Note (a) A Senate Group that is endorsed by a registered Political party is not required to lodge an Election Return. Pauline's United Australia Party is required to lodge an Annual Return, which is due on 20 October 2008. The Party's Senate Group Members (for the Queensland Senate) were Pauline Hanson and David Saville and both members lodged a NIL Return. (b) Nick Xenophon, along with Roger Bryson, contested the Senate for South Australia as an Unendorsed Group (Independent). Nick Xenophon submitted a NIL Candidate Election Return and his Group lodged a separate Senate Group Return showing total donations of \$141,976.30 and total electoral expenditure of \$181,877.66.

Source Australian Electoral Commission (2005), *Funding and Disclosure Report Election 2004*, p. 11; submission 3, p. 18.

Proposed changes

- 2.16 The bill seeks to ensure that public funding of election campaigning is limited to declared 'electoral expenditure' incurred by the eligible political party, candidate or Senate group, or the sum payable calculated on the number of formal first preference votes received where they have satisfied the four per cent threshold, whichever is the lesser.¹⁴
- 2.17 This measure is consistent with the original intent of public funding. It is considered necessary because the current scheme has evolved in such a way that it provides an automatic entitlement to funds, limited in value only by the number of votes received above the threshold.
- 2.18 The measures in the bill will give effect to the Government's policy position of tying election funding to reported and verified electoral expenditure. This will stop any candidate, or any party from making a financial gain from the electoral public funding system.
- 2.19 The definition of 'electoral expenditure' already exists in the Commonwealth Electoral Act for disclosure purposes, and this definition is adopted to provide for re-imburement in relation to expenses incurred that fit within certain categories. Electoral expenditure is defined to cover:
- Electoral expenditure, in relation to an election, means expenditure incurred (whether or not incurred during the election period) on:
- (a) the broadcasting, during the election period, of an advertisement relating to the election; or
 - (b) the publishing in a journal, during the election period, of an advertisement relating to the election; or
 - (c) the display, during the election period, at a theatre or other place of entertainment, of an advertisement relating to the election; or
 - (d) the production of an advertisement relating to the election, being an advertisement that is broadcast, published or displayed as mentioned in paragraph (a), (b) or (c); or
 - (e) the production of any material (not being material referred to in paragraph (a), (b) or (c)) that is required under section 328, 328A or 332 to include the name and address of the author of the material or of the person authorizing the material and that is used during the election period; or

14 Explanatory Memorandum, Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008, Outline, p. 2.

- (f) the production and distribution of electoral matter that is addressed to particular persons or organisations and is distributed during the election period; or
 - (g) the carrying out, during the election period, of an opinion poll, or other research, relating to the election.¹⁵
- 2.20 Several Australian jurisdictions, including New South Wales, Queensland and Victoria, have public funding arrangements in place that provide for reimbursement for certain expenditures if a candidate receives more than 4 per cent of the vote up to a maximum entitlement per vote.¹⁶ While each of these jurisdictions uses its own definition of expenditure that qualifies for reimbursement, they are all broadly similar in what types of expenditure would be covered.
- 2.21 The Australian Electoral Commission explained that the proposed definition in the Commonwealth Electoral Act was also similar:
- With those state jurisdictions that currently have a reimbursement scheme, it is in effect identical to what used to operate federally – that is, there is no definition of or restriction on what the expenditure might be, just that the expenditure has to be related to the campaign. So it is far more wide ranging than this, but it is limited by the fact that it has to have been campaign expenditure, not administrative expenditure.¹⁷
- 2.22 All claims for election funding entitlement would need to be lodged at the principal office of the Australian Electoral Commission in Canberra. Claims lodged elsewhere would not satisfy the provisions of the Electoral Act.¹⁸
- 2.23 The bill also provides that expenditure which is incurred by or with the authority of a division of a State branch of a political party is to be treated as being incurred by that State branch, thereby facilitating the lodgement of a single claim from a State branch of a political party.¹⁹
- 2.24 In the case of joint Senate groups, the bill provides that an agent of one of the registered political parties which have endorsed the candidates in the group, must, before polling day, give the Australian Electoral Commission

15 *Commonwealth Electoral Act 1918*, s. 308.

16 NSW Legislative Council Select Committee on Electoral and Political Party Funding (2008), *Electoral and Political Party Funding in New South Wales*, June, p. 20.

17 Edgman B, Australian Electoral Commission, transcript, 26 September 2008, p. 10.

18 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 9, proposed s. 287 (2)).

19 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 11, proposed s. 287 (4A)).

a copy of the agreement, signed by each of the agents of the registered political parties which have endorsed the candidates in the group. That agreement must provide details of how the parties have agreed to divide the first preference votes received by the group. The agreement will be used by the Australian Electoral Commission to calculate the amount of any election funding that may be payable to the agent of the registered political party.²⁰

- 2.25 In the absence of such an agreement, the bill provides the Australian Electoral Commission with the discretion to determine the shares of electoral funding consistent with the existing provisions of the Commonwealth Electoral Act.²¹
- 2.26 The bill also provides that an agent of a party, candidate or group may make an interim claim, or both an interim and a final claim or a final claim but restricts the agent to the making of one interim and one final claim for electoral funding. The final claim must specify all of the electoral expenditure against which the claim is to be assessed, even if it has been included in an interim claim. The bill further specifies that expenditure that has been specified in both an interim and final claim will only result in the payment of a single entitlement.²²
- 2.27 Claims for election expenditure under the proposals must be made on the approved form.²³ The bill also specifies the timing for interim and final claims, the acceptance of interim and final claims and provides that the determination of claims by the Australian Electoral Commission must be made within 20 days of receipt.²⁴ The bill also provides for the Australian Electoral Commission to accept or refuse claims and provides for a review process where a decision has been made to refuse a claim.²⁵
- 2.28 The Australian Electoral Commission described some possible arrangements to support the proposed measures:

20 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 16, proposed ss. 296(1) to 296(4).

21 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 16, proposed s. 296(5).

22 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 16, proposed s. 297.

23 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 16, proposed s. 298(A).

24 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 16, proposed ss. 298(C) and 298(D).

25 Explanatory Memorandum, Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, para 16.

The proposed bill has a proposed section 298A. That is the key provision, because it indicates what has to be lodged as part of the claim. We are still doing work on designing the claim form to specify the information, but if they do not lodge a claim form on the approved form which is accompanied by the relevant documentary evidence then it is not a valid claim and we will not be processing it. In terms of the act, the onus is placed on the candidate, the political party, or the agent of the political party, in lodging the claim and that claim should have attached to it all the relevant information, invoices and documents in support of the amount that is claimed.

The proposed bill has been drafted in a way that does not require the claimants to lodge all documents in support of the amount of political expenditure they have incurred, only those which they wish the AEC to consider in working out which is the lesser of the actual electoral expenditure incurred, or the \$2.18c-odd of the four per cent first preference votes. We are hoping that, because of the way the bill has been drafted, our role will be fairly straightforward and fairly simple. That is why, contrary to what is currently in the act, we put in a deadline for the AEC to make a decision. If we get a valid claim, with the necessary information, we are required to determine within 20 days. If we have not done it within 20 days then the claimant will have review rights. The aim of that is to assist the parties and candidates and other stakeholders in, hopefully, being able to work out their cash flow following an election, so if they do have invoices et cetera that are outstanding then they can expect to receive a payment from the AEC within a set time frame.²⁶

- 2.29 To discourage claims by a candidate that are known to be false and misleading, the bill proposes that a penalty of imprisonment for 2 years or 240 penalty units (equivalent to \$26,400), or both apply.²⁷ The bill includes provisions to recover overpayments based on the results of compliance audits and monitoring activities in relation to claims for election funding.²⁸

26 Pirani P, Australian Electoral Commission, transcript, 26 September 2008, pp. 21–22.

27 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 84, proposed s. 315(6A).

28 Commonwealth Electoral Amendment (Political Donations and Other Measures Bill 2008, clause 20, proposed s. 301.

Views about current and proposed arrangements

2.30 As previously noted, the issue of profiteering has been raised in previous inquiries by the Joint Standing Committee on Electoral Matters into the conduct of federal elections. In its reports on the 1998, 2001 and 2004 elections the committee examined the operation of public funding and noted concerns expressed by some inquiry participants over the opportunity for profiteering.²⁹ The committee's response in these reports was largely that the strict entitlement approach strikes an appropriate balance between competing principles including compliance costs and encouraging people to run for office.

2.31 A number of submissions to the 2007 election inquiry also canvassed the issue of profiteering from candidacy and the undesirability of this aspect of public funding. Mr Eric Lockett noted that:

While candidates and parties must lodge a return on their electoral spending, no attempt is made to ensure that the public funding is actually spent on the campaign – it is simply a gift from the public purse to the candidate or party. This is unacceptable and it is pleasing to see that the *Commonwealth Electoral Amendment (Political Donations and Other measures) Bill 2008* seeks to remedy this situation.³⁰

2.32 This view was also supported by Mr Don Willis, who argued that:

If the concept of public funding is to continue, then political parties and electoral candidates should be required to show that any public funding they receive is for reimbursement of relevant expenses actually incurred in running their election campaign. No party or candidate should be allowed to “make money” at the public expense from standing for public office.³¹

2.33 Mr David Kerslake told the committee that he considered that a public funding scheme should not allow profiteering:

In my view, any public funding scheme should guard against parties or individual candidates being able to make a profit from

29 Joint Standing Committee on Electoral Matters (2000), *The 1998 Federal Election: Report of the inquiry into the conduct of the 1998 federal election and matters related thereto*, pp. 125–126; Joint Standing Committee on Electoral Matters (2003), *The 2001 Federal Election: Report of the inquiry into the conduct of the 2001 federal election and matters related thereto*, p. 243; Joint Standing Committee on Electoral Matters (2005), *The 2004 Federal Election: Report of the inquiry into the conduct of the 2004 federal election and matters related thereto*, pp. 325–328.

30 Lockett E, submission 175 to the 2007 election inquiry, p. 2.

31 Willis D, Submission 126 to the 2007 election inquiry, p. 1.

their candidacy. What I regard as one of the very strong points of the Queensland legislation is the fact that it is a straight reimbursement scheme. The amount of public funding a party or candidate receives must not exceed the amount they spent on their campaign.³²

- 2.34 The Democratic Audit of Australia acknowledged that the sight of a celebrity candidate earning funding without doing much campaigning was unattractive but argued that the definition of 'electoral expenditure' disadvantaged minor parties and independents:

A reimbursement only rule is doubly problematic given the restricted definition of claimable 'electoral expenditure' (item 5 of Bill). Few minor parties or independents are able to afford much advertising, let alone opinion polling: the item 5 definition leaves them only able to claim production of signs and leaflets (sub-paragraphs (e) and (f) in the definition). Yet such candidates may have considerable expenditure on office expenses, travel, web design and advocacy to the media: expenditure that MPs, ministers and party leaders may cover from their taxpayer funded offices and allowances.³³

- 2.35 This view about the limited nature of expenditure items covered was also noted by former Australian Democrats Senator, Mr Andrew Murray, in his submission to the 2007 election inquiry.³⁴

- 2.36 Additional reservations about the proposed changes expressed by the Democratic Audit of Australia related to the need to account for expenditure prior to receiving public funding and the inability to 'roll over' amounts to which a candidate was entitled to but did not have sufficient election expenditure to receive in full.³⁵

- 2.37 In relation to the requirement to demonstrate sufficient expenditure to claim a candidate's full entitlement, the Democratic Audit of Australia favoured a lower threshold, say 50 per cent, that full funding would be paid on proof of this percentage of expenditure.³⁶ Professor Costar told the committee that:

I know that this is aimed at profiteering, and it is quite true, but that is not what public funding was about. I wonder whether you

32 Kerslake D, transcript 6 August 2008, p. 56.

33 Democratic Audit of Australia, submission 1, pp. 2-3.

34 Australian Democrats, submission 56 to the 2007 election inquiry, p. 27.

35 Costar B, Democratic Audit of Australia, transcript, 22 September 2008, p. 24.

36 Democratic Audit of Australia, submission 1, p. 3.

should require all candidates and parties to be able to account for 100 per cent of their expenditure. The big parties can do that easily. Small parties, Independents and whatever, maybe not. Some of these people of course are not going to be able to. Let us assume that some are. Let us say you are owed \$10,000 of public funding. If you can account for \$9,000 of it through receipts or whatever, you get the rest on the ground that people drop coins into buckets. It is hard for small parties and Independents to keep track of all that.³⁷

2.38 In relation to the proposal to 'roll over' funding should a candidate not have sufficient expenses to claim their full entitlement, Mr Kelly argued that:

if your expenditure is less than your public funding entitlement, you should still get public funding only to match that expenditure, but that that additional entitlement can be held over. If you are campaigning at the next election, you can draw on that entitlement from the previous election. If you are a one-election wonder and then go by the wayside, that money is never received.

... The principle is that that public funding entitlement has been based on the level of electoral support, which the parliament has previously determined to be over the 4 per cent threshold. That party has been able to show that it has that level of public support.³⁸

2.39 As noted in chapter 1, the Liberal Party of Australia and The Nationals considered that the current arrangements were operating without problems and that any review of these arrangements should wait until the green paper process is established.³⁹

Committee conclusion

2.40 The committee notes the history of public funding, which was originally introduced for the 1984 election and was designed to provide for the reimbursement of legitimate campaign expenses.

37 Costar B, Democratic Audit of Australia, transcript, 22 September 2008, p. 24.

38 Kelly N, Democratic Audit of Australia, transcript, 22 September 2008, p. 24.

39 The Liberal Party of Australia, submission 156 to the 2007 election inquiry, p. 2; The Nationals, submission 145 to the 2007 election inquiry, p. 1.

- 2.41 The committee also notes that the Parliament sought to prevent the public from being required to fund frivolous election campaigns, by initially requiring that candidates achieve a threshold of 4 per cent of the formal vote, before being eligible to receive any public funding. This threshold has remained unchanged and generally serves to discourage frivolous candidates campaigning in order to receive public funding.
- 2.42 It is both unfortunate and undesirable that public funding has moved from providing a reimbursement of legitimate and verifiable campaign expenditure, to being a vehicle by which some candidates can use the public funding provisions to reap financial windfalls which far outweigh any legitimate campaign expenses.
- 2.43 While acknowledging that there will be an increase in the compliance costs associated with the proposed regime, the committee considers that these are not likely to be particularly onerous and are balanced by the benefits associated with greater transparency and confidence in the system of public funding.
- 2.44 The committee notes the Democratic Audit of Australia suggestion that the definition of 'electoral expenditure' is too narrow and believes that the definition of 'electoral expenditure' in Part XX of the Commonwealth Electoral Act should be broadened to include reasonable costs incurred for the rental of dedicated campaign premises, the hiring and payment of dedicated campaign staff, and office administration. The committee does not, however, consider that there should be any 'roll over' of unexpended entitlements from one election to the next.
- 2.45 The committee considers that the processes proposed in the bill for claiming expenditure will allow for timely payment of entitlements to candidates. The inclusion of review mechanisms should also provide for a transparent process for resolving issues relating to verifying expenditure claims.
- 2.46 Provisions that allow for strong penalties associated with lodging a claim or return about election expenditure that is known to be false or misleading and the ability for the Australian Electoral Commission to recover payments will also strengthen the regulation of the proposed payments system (see chapter 5). These measure place obligations on candidates and political parties which are in line with those applying to the expenditure of public monies in other areas.

Recommendation 1

- 2.47 The committee recommends that the Senate should support the proposals in the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008 that make the entitlement to public funding conditional on a candidate meeting the 4 per cent threshold and demonstrating that they have incurred genuine campaign expenditure (whichever is the lower amount).

Recommendation 2

- 2.48 The committee recommends that the definition of 'electoral expenditure' in Part XX of the Commonwealth Electoral Act should be broadened to include reasonable costs incurred for the rental of dedicated campaign premises, the hiring and payment of dedicated campaign staff, and office administration.