

ELECTORAL FINANCE BILL

The Electoral Finance Bill has attracted a large amount of comment in the media, particularly in relation to proposals to set fairer and more transparent rules around third party groups who undertake electioneering activities.

Opponents of electoral reform – some of whom are the same people involved in the abuses uncovered at the last election – have actively misled the public about the intent of these proposals. The government has no intention at all of restricting the ability of legitimate groups to play an active role in public debate during an election year. Nor is that what the Electoral Finance Bill proposes.

'Electioneering activities' are intended by government to have a narrow scope in their definition in law. They are those activities designed to influence votes for or against a particular political party. They are not those which seek to raise concerns about an issue. Organisations can of course raise any issue of concern to them at any stage leading up to the election.

What the Bill intends to capture are advertising activities by those who wish to be active in procuring electoral success for a particular party or parties. That is because our electoral law has long sought to provide a more level playing field, with spending caps on electioneering. Unfortunately a bulldozer was driven through that law last election – and the Bill seeks to close that loophole.

In democracies around the world, electoral laws and regulations are continually under review. Changes in technology, in the way people communicate, and in the ways campaigns are financed mean that safeguards against abuse and corruption of electoral systems need to be regularly



updated.

Over the course of the 2005 election it became clear that our electoral legislation was failing to keep pace with these changes. Labour and a number of other parties in Parliament publicly promised to put fairer rules in place in time for the 2008 election.

The Bill proposes a number of things, including more transparent rules around election expenses, giving more tools to independent electoral watchdogs, extending the regulated period for campaign expenditure to around the same length as in Britain, and removing political appointees from the body which allocates broadcasting funding.

Overall, the Bill seeks to bring New Zealand legislation more in line with that of Britain and Canada. The new law will need to set a fair limit on the amount individuals and organisations can spend on electioneering activities as narrowly defined above. Groups which have always spoken out about their own issues will continue to be able to do so.

If an organisation does want to take part in electioneering activities to procure success for a political party, it then registers as a third party and will be able to spend up to a set limit, as allowed in Britain and Canada. Even then, the Bill only sets limits on an organisation's electioneering activities and not on its normal business and advocacy functions.

Under the proposals, the only groups with anything to be concerned about are those groups who intend to run secret, big-budget campaigns to influence unduly the outcome of an election. Groups which take part in election debate in a fair and open way, as they always have, will continue to do so.

The Justice and Electoral Select Committee is now considering the Bill. As with all major Bills, I am sure that the Committee will suggest improvements and refinements for inclusion.

The government and a number of other parties feel strongly that the status quo needs improvement if we want to protect our democratic system from money politics. If you or your organisation have any remaining concerns, please contact me for further information and clarification.

Kind regards

A handwritten signature in black ink, appearing to read 'Mark Burton', written in a cursive style.

Hon Mark Burton
Minister of Justice