

Submission to the Inquiry into the Conduct of the 2025 House of Assembly General Election and 2025 Legislative Council elections

Tasmanian Labor welcomes the opportunity to make a submission to the *Inquiry into the Conduct of the 2025 House of Assembly General Election and 2025 Legislative Council elections*.

Labor's submission will address the following broad topics:

- Electoral Disclosure, Election Return and Documentation
- Expenditure Caps
- Use of Candidate Names Without Consent
- Informal Voting and Vote Savings Provisions

Electoral Disclosure, Election Return and Documentation

The 2025 election was the first House of Assembly election in which the *Electoral Disclosure* and *Funding Act* (EDFA) came into effect. Some additional amendments could improve the function of the Act.

Election Return and Documentation

Under the current regulations a copy of all electoral expenditure advertising material must be provided to the Commissioner. Electoral campaigns can consist of thousands of individual advertising materials. Often many versions are similar but include minor revisions or changes. For example, social media video advertisements may be produced in 30, 15 and 6 second formats, then in different aspect ratios for different platforms and devices, each with minor variations such as location-specific versions. ("Labor will establish ten new TassieDoc clinics including one in [Location]")

The requirement to submit a copy of every piece of material is inconsistent with the discussions Labor had with the Department of Justice when considering the Regulation. We were advised that the intent of this Regulation was to ensure the highest level of probity for public funding claims, and that subsequently, the intent was that this requirement would only extend to material that formed part of the public funding claim. Labor supported this Regulation on this basis. However, the implementation of the Regulation has not been in line with this advice.

Tasmanian Labor believes that the requirement to submit a copy of every piece of material:

- is an unnecessary administrative burden, and likely unintended;
- burdens political participants with an administrative requirement that unnecessarily
 goes beyond the issue it is trying to address (i.e. probity for public funding claims) by
 requiring the submission of large numbers of material that do not relate to any claim for
 public funding;
- places an undue administrative burden on the Electoral Commission to process and review thousands of pieces of content that do not relate to a claim, and with no clear additional purpose.

Recommendation #1

Tasmanian Labor recommends that the Electoral Disclosure and Funding Act Regulations be amended to:

- 1. Only require the submission of material related to a claim for public funding, which should be submitted with the claim and not the Election Return.
- 2. Introduce a threshold so that advertising material associated with expenditure under \$1000 does not need to be submitted to the Commissioner under Regulation 9, but which the Commissioner can request, as part of any regular audit process, where the

provided supplier invoices and other records do not reasonably satisfy the Commissioner that the claimant is in compliance with the Act and Regulations.

Registration of Official Agents

There appears to be an unintended oversight in the drafting of the EDFA that implies, in certain administrative circumstances, that Official Agents for political participants (including Donors, Associated Entities and Third Parties) must be enrolled in Tasmania. This is inconsistent with other parts of the Act and has caused issue for both participants and the TEC in implementation.

Recommendation #2

Tasmanian Labor recommends that this drafting error be resolved to ensure clarity and that there are no unintended issues where a participant exercises their right to participate but struggles with, or is left unclear as to, their administrative compliance on non-material matters.

Timing of Campaign Funding payments

The timing of Campaign Funding payments under the EDFA is too slow, and at future elections may cause issue for participants with the payment of suppliers.

The EDFA is designed to ensure that only permitted donations, certain other categories of money, and Campaign Funding from the EDFA are able to be used for the payment of electoral expenditure.

The vast majority of suppliers provide 30 day terms for the payment of invoices. However, the EDFA provides the Commission with 60 days to make a compulsory 90% payment of a claim. This is likely to cause issues for parties and candidates in the future, who have both an obligation to pay suppliers on-time and comply with the Act which (rightfully) restricts their ability to use other funds to pay for electoral expenditure.

Parties and candidates should not be forced to choose between paying Tasmanian businesses on time, or compliance with the Act. They should also not be forced to take out temporary loans to bridge the gap, because of two competing intentions of the Act (i.e. the restriction on the source of funds for Electoral Expenditure, and an administrative process that delays the receipt of one of those sources).

Additionally, there is no time limit on the payment of the remaining 10% of the Campaign Funding claim while the Commission undertakes their review and audit process. The Act has a clear intention that claims would ordinarily be processed with 60 days (as evidenced by the 90% payment provision). However, this has not been the reality, and it has created an unacceptable situation where the Commission may take many months to process claims. As of mid-December 2025, the Commission is still undertaking this process.

Recommendation #3

To ensure that parties and candidates are not forced to choose between paying Tasmanian businesses on time, and compliance with the Act, we recommend amending the EDFA to provide a 30 day timeframe for payment of 90% of a claim, and a maximum 60 days for the remaining 10%. All of which should remain subject to clawback provisions following any ongoing audit.

Reporting

The systems currently in place for reporting under the Act are highly manual and inefficient, and not reflective of modern administrative regimes. The majority of states have moved to online portals for managing this.

Recommendation #4

Tasmanian Labor recommends an online portal for managing the disclosures required under the Electoral Disclosure and Funding Act and that such a portal includes the ability to:

- 1. use online forms and API endpoints to lodge reportable donations
- 2. view and manage all reportable donation disclosures;
- 3. use online forms to lodge any returns and other required election records;
- 4. see the status of any claim, return, and related correspondence.

Additionally, we would recommend exploring the potential to work with the AEC as they design and implement a system with similar requirements Federally. Such software is highly unique to elections, and as a small state it would be to Tasmania's benefit to explore possible economies of scale through collaboration with the AEC.

Expenditure Caps

As outlined in our <u>previous submission to the Inquiry into the Electoral Disclosure and Funding Amendment Bill 2024 (No. 9)</u>, Tasmanian Labor urges the consideration of the introduction of expenditure caps, now that public funding has been introduced, to prevent a significant spike in spending at the next election in order to create a fair and level playing field in Tasmanian politics.

The quality of a democracy has the potential to be so sufficiently impacted by the relative economic ability of campaigns to communicate with voters, that there has been a clear and steady trend towards regulation of such expenditure. The electoral systems of multiple Australian States and Territories now feature some form of restriction on campaign expenditure.

The introduction of expenditure caps serves several democratic purposes:

Protecting the integrity of public funding: Public funding is provided on the premise that it will reduce dependence on private donations and level the electoral playing field. However, if participants can still spend without limit, candidates can turn financial advantage into electoral advantage beyond a reasonable threshold. Without caps, the capacity to flood electorates with messaging remains unchecked.

Reducing the influence of money in politics. While donation caps and disclosure requirements address the source of campaign funds, they do not address the deployment of those funds. Expenditure caps address this concern directly.

Reducing the demands of fundraising. Without expenditure caps, candidates face constant pressure to raise ever increasing amounts to remain competitive. This diverts time and energy from policy development, community engagement, and parliamentary duties, and creates ongoing vulnerability to the integrity of our democratic process.

In addition to our <u>previous submission</u>, Labor believes capped expenditure should be properly captured by a sufficient period that should commence at whichever of these dates falls first:

- a) for a general election, nine months before the last day by which an election must be held under the *Constitution Act 1934*; or
- b) where Parliament is dissolved early, from the day of dissolution.

Recommendation #5

Tasmanian Labor recommends that the *Electoral Disclosure and Funding Act* be amended so that expenditure caps are introduced for a period before and during the formal election period, and that a framework be adopted with a similar approach to the one implemented in the ACT that creates a clear and specific defined category of "capped expenditure".

Use of Candidate Names without Consent

During the 2025 State Election campaign Tasmanian Labor became aware of numerous examples of breaches of section 196 of the *Electoral Act*. It is Tasmanian Labor's view that section 196 is not only legislation poorly designed for the digital era, it fails to achieve its objective and may well be contrary to the High Court's ruling in *Lange v Australian Broadcasting Corporation* (1997) HCA 25.

Recommendation #6

Tasmanian Labor recommends that section 196 of the *Electoral Act* be amended to remove the restriction on political communications during election campaigns and restricted to "how to vote" cards.

Informal Voting and Vote Savings Provisions

The recent election saw the rate of informal voting drop slightly from the 2024 high of 6.3%. However, approximately 1 in 17 votes cast at the 2025 House of Assembly election did not count. This represents an unacceptable level of unintentional disenfranchisement.

There is a need for the introduction of vote savings provisions to ensure the maximum number of voters are empowered. The current provisions unfairly and disproportionately disadvantage voters from lower socioeconomic, and culturally and linguistically diverse backgrounds – who are significantly more likely to cast an informal vote.

While the analysis of informal votes generally shows that the majority of these would not be 'saved' by savings provisions, the number that could be saved is significant enough to change the outcome of elected MPs in most Tasmanian elections. This is notably because of Hare Clark, and the small margins that often determine the outcome at each point in the count.

Tasmanian Labor would welcome the introduction of vote savings provisions, such as those that exist in the ACT. Were this to occur, it would be equally important to ensure that candidates and parties are not incentivised to actively encourage voters to list fewer than seven preferences.

Recommendation #7

To maximise voter enfranchisement, Tasmanian Labor recommends that:

- 1. The Electoral Act be amended to include vote savings provisions;
- 2. Voters continue to be instructed to number as many boxes as there are members to be returned in an electorate, but any vote numbered at least 1 is a formal vote up until the first error (a number is omitted or duplicated).

2024 Inquiry Recommendations

We note that many of our <u>previous recommendations from the 2024 Inquiry</u> remain relevant and the Inquiry may wish to give further consideration to them:

• Electronic Voting and Electronic Counting

Tasmanian Labor recommends that the Tasmanian electoral framework should be modernised to include both electronic voting and electronic counting.

• Electoral Roll Updates

Tasmanian Labor recommends that the Electoral Act be amended so that the Tasmanian Electoral Commission be required to provide, shortly after the close of Rolls prior to an election, an ad-hoc edition of the Roll in electronic form.

Online Portal for Candidate Nominations

Tasmanian Labor recommends that an online portal for managing candidate nominations and payment of deposits be established. And that this portal allow for completion of nominations by registered party officer and candidates, submission and verification tracking of nomination, and payment of deposits by card and direct debit.

Nomination Deposit Refunds

Tasmanian Labor recommends that the calculation for refunding nominations for Party candidates be modified to be based on the overall party vote. For example, candidates for a party that receives 17.5% of the vote would be entitled to refund of their deposit for all 7 candidates (2.5% x 7 candidates = 17.5% required total).

Inclusion of logos on ballot papers

Tasmanian Labor recommends that Party and group ticket logos be included on ballot papers to increase accessibility.

• Polling place data on election night

That the Tasmanian Electoral Commission be required to publish the same data available via the data feed on their publicly accessible website on the night of the election, including polling place results.