



**2011**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**ELECTION COMMITMENTS COSTING BILL 2011**

**DRAFT EXPLANATORY STATEMENT**

**Presented by  
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Treasurer**

## **ELECTION COMMITMENTS COSTING BILL 2011**

### **Overview**

The Territory does not currently have any legislation to formalise the process for costing election commitments. The costing of election commitments provides a degree of third party review, to provide some assurance to those interested that the costs are materially correct. Although the Department of Treasury has been costing election commitments in accordance with an agreed Government process each election, formalising the costings process with legislation will improve transparency of process during an election.

By formalising election commitment costings, the Territory will strengthen its legislative requirements regarding the provision of financial information to the community during an election. Formal election commitment costings will complement the existing requirement under the *Financial Management Act 1996* for a pre-election budget update to be released.

This Bill formalises a robust and equitable framework for the costing of election commitments in the Territory. It allows any party with one or more Members of the Legislative Assembly (MLA), or a MLA who is not a member of a registered party, to request a costing of a publicly announced election costing during the pre-election period of an election of the Legislative Assembly.

While public servants serve the Government of the day during the ordinary business of government, a pre-election period presents unique challenges when other parties have access to the Department of Treasury for costing purposes. This Bill will ensure that during an election process, the Department of Treasury and political parties have a shared understanding of the roles and responsibilities of each body and will allow Treasury to operate with a clearer degree of certainty during the election process. In this way, the Territory will have a transparent costings process that will assist costings to occur in a non-partisan and objective manner.

## **Notes on Clauses**

### **Clauses 1 Name of Act**

This clause is a formal provision setting out the name of the Act.

### **Clause 2 Commencement**

The Act commences on the day after its notification day.

### **Clause 3 Dictionary**

This clause specifies that the definitions contained at the end of the ACT are part of the Act.

### **Clause 4 Notes**

This clause explains that the notes included in the Act are explanatory only and are not part of the Act.

### **Clause 5 Requests to cost election commitments**

This clause provides that a leader of a registered party with one or more MLAs, or an MLA who is not a member of a registered party, can request the Chief Executive of the Department of Treasury to cost an election commitment. As under the Act it is discretionary whether a costing is requested, it is the responsibility of the leader or MLA to determine whether the commitment in question needs to be costed / verified from the perspective of transparency.

Requests can only be made for publicly announced election commitments. Examples of when an election commitment has been publicly announced, is when a party issues a media release or publishes the election commitment on the party website. This provision does not however preclude the Government of the day requesting costing advice from Department of Treasury on potential election commitments, as part of the ordinary business of serving the Government. If the Department of Treasury provides the Government costing advice as part of the ordinary business of Government, the provisions of this Act will not apply.

Costing requests can only be made during the pre-election period as defined by the *Electoral Act 1992*.

The costing request must be in writing and state the policy to be costed, giving relevant details to be used in the costings and the purpose / intention of the policy. By requiring a written request, total costing transparency is ensured and misunderstandings of details or assumptions are minimised.

A MLA can not ask the Chief Executive to cost a publicly announced election commitment of another MLA or registered party of which the MLA is not a member.

**Clause 6      Withdrawal of costing requests**

A MLA can withdraw a costing request made by the MLA at any time by writing to the Chief Executive of the Department of Treasury before the costing is made publicly available. This provides flexibility to a party or MLA if their election policies change for any reason.

**Clause 7      Guidelines for costing election commitments**

The Chief Executive of the Department of Treasury can issue guidelines setting out administrative procedures for costing an election commitment. These guidelines might contain further detail on the process to be followed, proformas for costing requests or specify how the Department of Treasury will cost requests.

**Clause 8      Additional information for costing election commitments**

If required, the Chief Executive of the Department of Treasury can request additional information to cost an election commitment. The request must be in writing to the MLA who requested the costing. This is consistent with the initial costing request being in writing and ensures total costing transparency.

**Clause 9      Costing of election commitments and publishing costings**

The Chief Executive of the Department of Treasury must cost each request for an election commitment costing, and make the costing publicly available as soon as practicable. Examples of making a costing publicly available include publishing the costing on the Treasury website or issuing a media release.

However, if the Chief Executive does not have sufficient information or has not had sufficient time to prepare a costing before polling day for the election, the Chief Executive will publicly release a statement to that effect. This ensures the public is

aware of any costing requests for which costings were not able to be completed, and the reasons why.

**Clause 10 No costing of election commitments after polling day**

The Chief Executive of the Department of Treasury will not begin or continue costing an election commitment on or after polling day for the election.

**Clause 11 Determination of fees**

The Minister may determine fees for this Act.

**Clause 12 Regulation-making power**

The Executive may make regulations for this Act.

**Clause 13 Review of Act**

The Minister must review operation of the Act by 31 December 2013.