ALL ELECTION PARTICIPANTS

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Electoral expenditure cap calculations

Unless otherwise stated, all references to legislation are to the *Local Government Electoral Act 2011* (LGEA). The information in this fact sheet does not replace legislation. If you are concerned about your obligations, you should seek independent legal advice.

This fact sheet explains how expenditure caps are calculated for election participants in local government elections.

There are limitations (caps) on the amount of electoral expenditure that can be incurred during the capped expenditure period for a local election. For Brisbane City Council, the caps are set by legislation. For all other local government areas, the caps vary on a sliding scale by reference to the number of electors in the local government area. Electoral expenditure caps also vary based on whether the candidate is contesting a mayoral or councillor position.

The calculation and publication of electoral expenditure caps is managed by the ECQ, as set out in *Part 6, Division 4* (*Caps on electoral expenditure*) in the LGEA. The ECQ will publish a notice on its website advising what the expenditure caps are:

- for the 2024 local government elections expenditure caps were published on 21 July 2023
- for a by-election at the same time the notice for the election is issued

However, election participants might like to familiarise themselves with the underlying principles of cap calculation to understand how their expenditure cap is reached.

Number of electors

A candidate's expenditure cap is calculated by reference to the number of enrolled electors for an election. For mayoral candidates and councillor candidates in an undivided council, this is the number of people enrolled on the electoral roll for the candidate's council at a particular point in time.

For councillor candidates in a divided council, the number of electors is calculated by:

- taking the total number of electors enrolled in the whole council area
- dividing that number by the number of councillors (excluding mayors) who need to be elected for the council area
- multiplying the result by the number of councillors to be elected for a council's division.

The ECQ will calculate and publish the number of electors at the same time as publishing the expenditure caps.

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More information

If you need more information relating to Funding, Disclosure and Compliance, please contact ECQ on 1300 881 665 or by emailing <u>fad@ecq.qld.qov.au</u>.



Individual candidates for mayor

Electoral expenditure caps for individual mayoral candidates (excluding Brisbane City Council) are:

Number of electors	Electoral expenditure cap (E)
30,000 or less	E = \$35,520
30,001 – 150,000	E = Number of electors x \$1.18
150,001 – 200,000	E = \$177,600 + (\$0.59 × (Number of electors – 150,000))
More than 200,000	E = \$207,200 + (\$0.30 × (Number of electors – 200,000))

All calculated amounts shall be rounded to the nearest \$10 (rounding one-half upwards). Endorsed candidates and candidates in a group are also subject to the above calculations, though additional aggregation rules apply. For further details, see <u>Fact Sheet 28 – Expenditure caps for RPPs and endorsed candidates</u>.

Individual candidates for councillor

Electoral expenditure caps for individual councillor candidates (other than mayor) (excluding Brisbane City Council) are:

Number of electors	Electoral expenditure cap (E)
20,000 or less	E = \$17,760
20,001 – 39,999	E = Number of electors × \$0.89
40,000 or more	E = \$35,520

All calculated amounts shall be rounded to the nearest \$10 (rounding one-half upwards). Endorsed candidates and candidates in a group are also subject to the above calculations, though additional aggregation rules apply. For further details, see <u>Fact Sheet 28 – Expenditure caps for RPPs and endorsed candidates</u>.

Individual candidates in Brisbane City Council

Candidates for Brisbane City Council have separate electoral expenditure caps set under the LGEA:

- for mayoral candidates the expenditure cap is \$1,539,210
- for councillor candidates the expenditure cap is \$65,120.

Endorsed candidates are also subject to the above calculations, though additional aggregation rules apply. For further details, see <u>Fact Sheet 28 – Expenditure caps for RPPs</u> and endorsed candidates.

Groups of candidates, registered political parties and third parties

Electoral expenditure caps for groups of candidates, registered political parties and registered third parties are all based on the calculated amounts for individual candidates and **will require further calculation by the participants involved**.

The electoral expenditure cap for unregistered third parties is \$6,000.

For more information, see **Related fact sheets** below.

Maximum amount

A *maximum amount* (cap) on electoral expenditure which may be spent on a particular local government area election applies to groups of candidates and to registered political parties and their endorsed candidates.

The maximum amount for electoral expenditure caps is calculated using this formula which references both mayoral and non-mayoral candidate expenditure cap amounts:

$M = (A \times B) + (C \times D)$, where:

- M is the maximum amount for the election
- A is the amount of an individual mayoral candidate's expenditure cap for the election
- B is either 1 (if the office of mayor is to be filled in the election), or otherwise, 0
- C is the amount of an individual councillor candidates (other than mayor) expenditure cap for the election
- D is the total number of vacant offices of councillors (other than mayor) to be filled in the election.

The electoral expenditure cap that applies to a particular group or registered political party is the sum of each candidate's individual capped amount (depending on whether they are a mayoral or councillor candidate) up to the maximum amount calculated under the formula above. For more information, see:

- Fact sheet 23 Expenditure caps for groups of candidates
- Fact sheet 28 Expenditure caps for registered political parties and endorsed candidates

Note

A group or registered political party's expenditure cap for an election is not always the same as the maximum amount for an election.

The electoral expenditure cap may be less than the maximum amount. It will never be more than the maximum amount.

More information

If you need more information relating to Funding, Disclosure and Compliance, please contact ECQ on 1300 881 665 or by emailing <u>fad@ecq.qld.gov.au</u>.

EXAMPLES

Example A

Group A has 3 councillor candidates and a mayoral candidate in Local Government Area X. In Local Government Area X, there are 5 councillor positions to be elected, and one mayoral candidate position to be elected.

The expenditure cap for a councillor candidate in Local Government Area X is \$17,760, while the cap for a mayoral candidate is \$35,520.

Applying the formula, the maximum amount for the election is \$124,320 as set out below:

 $M = (A \times B) + (C \times D)$

 $M = (\$35,520 \times 1) + (\$17,760 \times 5)$

M = \$124,320

The expenditure cap for Group A is the sum of the capped amounts for each of the group members: 88,800 or $(1 \times 35,520) + (3 \times 17,760)$.

\$88,800 is below the maximum amount of \$124,320 for the election.

Therefore, the expenditure cap for Group A is \$88,800. All 4 candidates in Group A can collectively spend up to \$88,800.

Example B

Group B endorses 8 councillor candidates in Local Government Area Y. In Local Government Area Y, there are 5 councillor positions to be elected. The mayoral position (which usually has a cap of \$35,520) is not required to be elected in this election.

The expenditure cap for a councillor candidate in Local Government Area Y is \$22,250 each.

Applying the formula, the maximum amount for the election is \$111,250 as set out below:

 $M = (A \times B) + (C \times D)$

 $M = (\$35,520 \times 0) + (\$22,250 \times 5)$

M= \$111,250

The sum of the capped amounts for each of the group members is 178,000 or $8 \times 22,250$.

However, because there are only 5 councillor positions to be elected in Local Government Area Y, the maximum amount for the group's expenditure cap is \$111,250.

Therefore, the 8 candidates in Group B may only collectively spend up to \$111,250 for the election.

More information

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Cap adjustments for indexation

Electoral expenditure caps are subject to adjustment under the LGEA after each quadrennial election. The purpose of the adjustment is to reflect changes in the consumer price index (CPI), as provided by the Australian Bureau of Statistics. This adjustment is made via the calculation of a *relevant factor*.

Every four years, 30 days after election day for a quadrennial local government election, the relevant factor is adjusted using this formula:

 $A = B \times C/D$, where:

- A is the new adjusted relevant factor
- B is the relevant factor that applied immediately before this adjustment
- C is the CPI for the last quarter that ended before election day for the most recent quadrennial election
- D is the CPI for the last quarter that ended before the election day for the quadrennial election held prior to the most recent quadrennial election.

The adjusted relevant factors for local government electoral expenditure caps for April 2024 to April 2028 can be found on the <u>ECQ website</u>.

For further information

This fact sheet mainly refers to part 6, division 4 (Caps on electoral expenditure) of the LGEA. The LGEA is available in full at <u>legislation.gld.gov.au</u>. Participants in the electoral process should ensure they understand their obligations under the LGEA.

RELATED FACT SHEETS

Fact sheet 19 – Expenditure caps for candidates

Fact sheet 23 – Expenditure caps for groups of candidates

Fact sheet 28 – Expenditure caps for registered political parties and endorsed candidates

Fact sheet 35 – Expenditure caps for third parties

Fact sheets are available on the ECQ website.

More information

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