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Committee Comment and Recommendations

Introduction

- 5.1 The terms of reference for this inquiry ask the Committee to consider the effectiveness of the *Referendum (Machinery Provisions) Act 1984* (the Machinery of Referendums Act) in providing an appropriate framework for the conduct of referendums. Specifically, the Committee examined the effectiveness of the processes for preparing the Yes/No arguments for referendum questions, the provisions providing for the public dissemination of the Yes/No arguments, and limitations on the purposes for which money can be spent in relation to referendum questions.
- 5.2 It is the view of the Committee that section 11 of the Machinery of Referendums Act provides a reasonably appropriate starting point for the conduct of a referendum. However, the Yes/No pamphlet provides electors with only the minimum of what might be needed to make an informed decision at a referendum. To assist electors in understanding the proposal for constitutional change and the arguments why it should or should not be supported, more contextual and background information is required, with more targeted campaigns. This chapter discusses the Committee's findings in relation to the terms of reference and details the Committee's recommendations for change.
- 5.3 In order to consider the effectiveness of the Machinery of Referendums Act in providing an appropriate framework for the conduct of referendums, the Committee has assessed the operation of these provisions against their objectives. Section 11 provides for a relatively simple process of distributing to electors the arguments for and against

the proposed law to change the constitution. However, the intention of these provisions must also be to ensure electors understand the purpose and ramifications of any proposed change to the constitution and have sufficient information to form an opinion when voting yes or no. This is particularly important because, if a proposal for change is not fully understood, it is more likely that a voter will vote 'no' and the defeat of a proposal may reflect voter misunderstanding or fear of change rather than a true assessment of the proposal.

- 5.4 It is apparent from the Committee's inquiry that many submitters and commentators agree that the purpose of section 11 is to ensure that electors are able to make an informed decision at referendums. This is consistent with the original purpose of the Yes/No pamphlets when they were introduced in 1912 and continued to be the purpose when the Yes/No pamphlet provision was re-introduced in 1984. The Committee considers it fundamentally important that material provided to electors clarify complex and contested issues so that electors are able to make an informed choice when voting at a referendum.¹
- 5.5 In assessing the purpose of the current Yes/No pamphlet provisions against practical outcomes, there is clearly a shortfall. The Committee considers that the provisions afford a generally appropriate framework for the conduct of a referendum. Although the Yes/No pamphlet is an important communication and democratic tool through which the government can provide electors with informed debate on the matter, significantly more is required to ensure that the often complex constitutional issues debated at referendums are understood by electors.
- 5.6 The process adopted for the 1999 referendum indicates the shortfall between the current machinery of referendums provisions and the degree of information and range of measures required to engage the electorate in democratic processes. In addition to the Yes/No pamphlet, the 1999 referendum campaign included a plain English public education kit with information needed by the voter to understand the proposal. This included information on the current system of government, referendum processes, and background information on the referendum questions themselves. The 1999 referendum also established Yes and No committees who, in addition to drafting the Yes/No pamphlets, were responsible for a broader advertising campaign.

¹ This is consistent with the purpose of the provision as articulated by Jennifer Williams, *Submission 31*, p. 1.

5.7 The Committee is of the view that Section 11 of the *Referendum (Machinery Provisions) Act 1984* should be amended to ensure that the goal of clarifying complex and contested issues to critically inform a voter's choice is more effectively met.

Recommendation 1

The Committee recommends that the Australian Government introduce amendments to section 11 of the *Referendum (Machinery Provisions)* Act 1984 (Cth) to improve the referendum process.

Processes for preparing the Yes/No arguments

- 5.8 Under the current provisions, the Yes/No arguments are authorised by members of parliament. However, there is no legislative requirement that parliament draft the Yes/No arguments. Chapter 3 of this report considered the 1999 referendum processes where two separate Yes and No committees, appointed by the Government, were responsible for drafting the Yes/No arguments. Chapter 4 of this report examined both the appropriateness and effectiveness of the current processes. It also examined the alternatives and suggestions for change identified during the Committee's inquiry.
- 5.9 Submitters to the inquiry asked:
 - whether parliamentarians are the right people to draft the Yes/No arguments;
 - what the content should be;
 - whether it is appropriate that preparation of Yes/No arguments is optional; and
 - whether it is appropriate that where a proposal to amend the constitution is passed unanimously by both Houses of Parliament then no official No argument can be prepared.
- 5.10 The Committee notes that a number of submitters consider it appropriate that responsibility for the Yes/No arguments lie with Parliament. However, the Committee is also aware that other submitters were critical of this arrangement, arguing that this process produces an adversarial and ultimately, less helpful, document.

- 5.11 The Committee acknowledges that the Yes/No arguments are rarely impersonal or free from bias, as was originally envisioned in 1912 when they were introduced. However, the Committee does not necessarily consider this to be a deficiency of the current arrangements.
- 5.12 The Yes/No arguments are an important means for parliamentarians to explain to electors why they support or do not support the proposal for constitutional change. The oppositional nature of the Yes/No arguments also helps stimulate public debate and discussion. Further, they are appropriately directed to a providing a yes/no answer-which is what will be required of the elector on the day of referendum.
- 5.13 The Committee considers that there may be insufficient or inadequate information for many electors where Yes/No pamphlets are the only official material available to electors. However, in conjunction with other contextual material and education campaigns, the preparation of clear and concise Yes/No arguments are an important element of the referendum process and should be retained.
- 5.14 While the Committee is recommending that the Yes/No arguments should be retained, there are certain features of the current provisions which the Committee considers limit their effectiveness. The current restriction on word limit for the Yes/No arguments appears to be a result of a desire not to advantage one side over the other and does not enhance the accessibility of the information. Word length is an important feature of the Yes/No arguments and should be used to maximise its effectiveness in communicating to and engaging with electors.
- 5.15 It is the Committee's view that the 2 000 word limit for the Yes/No arguments should be removed from section 11 the Machinery of Referendums Act. Although it is likely that a word limit will need to be determined, it is important the Yes/No argument can be adapted to the requirements and issues of the specific referendum. As a result, the word limit should not be fixed in legislation.
- 5.16 The requirement for the Yes/No pamphlet to be distributed to every elector is an important aspect of the Machinery of Referendums Act. However, there are sound reasons to consider changing this requirement so that the Yes/No pamphlet is delivered to each *household* rather than each *elector*.
- 5.17 Posting to each household is arguably no less effective in delivering important information directly to the elector. It is also consistent with the practice in relation to federal elections and would result in a significant reduction of distribution costs. The AEC advised that the production and

delivery of a referendum pamphlet posted to every elector today would cost approximately \$25 million. The cost of delivery accounts for approximately 54 per cent of this total. In contrast, the householder mailout for the 2007 federal election cost between \$2.5 million to \$3 million.

5.18 It is the view of the Committee that, while dissemination of the Yes/No pamphlet remains an essential component of the referendum process, the cost-effectiveness of posting to each elector cannot be demonstrated. Consequently, the Committee recommends that the Yes/No pamphlet is delivered to each household.

Recommendation 2

The Committee recommends amendments to the *Referendum* (*Machinery Provisions*) *Act* 1984 (Cth) to remove the current restrictions on the word limit of the Yes/No arguments.

Recommendation 3

The Committee recommends that the Australian Government introduce amendments to the *Referendum (Machinery Provisions)* Act 1984 (Cth) to require a Yes/No pamphlet to be delivered to every household, not every elector.

- 5.19 Section 128 of the Constitution specifies that proposals to alter the Constitution must be passed as a bill by both Houses of Parliament. In this way, parliamentarians play an essential role in any proposal to change the Constitution as they are required by the Constitution to vote on the proposed amendment before it is put to electors.
- 5.20 The Committee is aware that some submitters do not consider Parliamentarians to be the appropriate persons to prepare the Yes/No arguments. Critics suggest that the current processes emphasise 'winning' over informing voters of the proposed changes whereas proponents state that the Yes/No arguments are an important opportunity for elected representatives to explain why they voted for or against the proposal.
- 5.21 It should be noted that there is no reference in the legislation to the body or persons responsible for drafting of the Yes/No arguments. As outlined in chapter 4, section 11 of the Machinery of Referendums Act refers only to

the responsibility of parliamentarians in authorising the Yes/No arguments. As such, the current legislation does not preclude another body or person from being involved in the drafting of the arguments, providing members of Parliament authorise the final result.

5.22 The Committee notes that members of Parliament are elected representatives and are responsible and accountable to the Australian people. It is arguably the Parliament's responsibility to put the case to voters because it is the Parliament which is responsible for the amendment proposal. The Committee considers it important and appropriate that members of Parliament retain responsibility for authorising the official Yes/No arguments and supports the retention of this requirement.

Recommendation 4

The Committee recommends that, consistent with section 11 of the *Referendum (Machinery Provisions) Act 1984* (Cth), the respective Yes/No arguments should continue to be authorised by those members of Parliament who voted for or against the proposed law.

- 5.23 Currently, the members of Parliament who voted for or against the bill authorise the respective Yes and No arguments. The Committee has recommended that these arrangements continue. However, under the current provisions, where a constitutional amendment bill is passed unanimously, there can not be any authorisation of an official No case. As discussed in chapter 3, this occurred in 1967 and 1977.
- 5.24 The Committee does not agree with these arrangements and considers it important that a Yes and a No argument is always put to voters. Accordingly, the Committee recommends that if a constitution amendment bill is passed unanimously through both Houses of Parliament, then *all* members of Parliament should be responsible for authorising *both* the Yes and No arguments. As with the current arrangements, the legislation should not specify the drafters of either case.

The Committee recommends that if a constitution amendment bill is passed unanimously by both Houses of Parliament, then *all* members of Parliament be responsible for authorising *both* the Yes and No arguments.

Dissemination of the Yes/No arguments

- 5.25 The Australian Electoral Commissioner must post the Yes/No arguments, together with the proposed textual changes to the Constitution, to each elector at least 14 days before the referendum. Chapter 4 of this report outlined the support that submitters expressed for the provision of the Yes/No pamphlet to every elector prior to a referendum. However other submitters argued that, in practice, the Yes/No pamphlet is the only official information provided to voters under the Machinery of Referendums Act and that this is insufficient to inform the public prior to a referendum.
- 5.26 The Committee acknowledges the importance of the Yes/No arguments in communicating directly with each elector the case for and against the proposed constitutional change. However, the Committee also agrees that much more is needed by electors to make an informed choice at a referendum. Since electors are the decision-makers on changing the Constitution, there is a responsibility to ensure they are informed and by means appropriate to as wide a range of electors as possible.
- 5.27 In order to conduct an effective referendum, education of the public is vital to ensure voters have the capacity to make an informed decision. Chapter 4 of this report discussed the need for public education on matters concerning the Constitution and referred to referencing surveys which indicate that many Australians have little understanding of the Constitution.
- 5.28 The Committee considers that the Yes/No arguments are insufficient to adequately prepare voters to exercise their democratic right and responsibility in referendum. Many submitters stressed the importance not only of Yes/No campaigns but of broader constitutional education that would increase understanding of the Constitution itself, separate from the proposal for change that is being considered. The aim of an education program would be to raise awareness of the contents of Australia's Constitution and the rights, responsibilities and system of

governance that it establishes. It should also aim to explain the processes required for constitutional change and encourage public engagement in governance issues.

- 5.29 The Committee acknowledges the extensive activities already performed by the Australian Electoral Commission (AEC) in providing civics education to the Australian public. Further, the Committee notes comments made by the Joint Standing Committee on Electoral Matters in 2007 in which they acknowledged the number of submissions they had received during the course of their inquiry indicating that electoral education 'requires a more coordinated and coherent approach'.²
- 5.30 The Committee notes the work of a number of non-government organisations, such as the Centre for Comparative Constitutional Studies and the Constitutional Education Fund–Australia (CEF-A) in educating Australians on the Constitution. For instance, CEF-A, an independent, non-partisan and non-profit organisation, perform a very valuable role in educating Australians on the Constitution, parliamentary democracy and our system of government more broadly. The Committee agrees that a sound understanding of the Constitution is essential in an effective democracy. To this end, the Committee recommends the development a national civics education program. While schools-based education is likely to be effective the Committee is of the view that civics education should extend beyond schools.

Recommendation 6

The Committee recommends that the Australian Government develop and implement a national civics education program to enhance the engagement of the Australian public in democratic processes and to improve knowledge and understanding of the Australian Constitution.

5.31 An effective civics education program would provide Australians with a sound understanding of the Constitution in general. However, when a referendum is to be held, it is essential that specific explanatory information and background material to the process are provided to electors.

² Parliament of Australia, Joint Standing Committee on Electoral Matters, *Civics and Electoral Education*, May 2007, p. 60. Available at: <www.aph.gov.au/house/committee/em/education/report.htm>

- 5.32 As outlined in Recommendation 4, the Committee endorses continuation of the current role of parliamentarians in authorising the content of the Yes/No arguments and so providing voters with the views of their elected representatives concerning the proposed changes. However, the Committee also acknowledges the myriad of submissions received during this inquiry concerning the need for the presentation of unbiased factual material that is separate from the arena of partisan politics.
- 5.33 The Committee notes that many submitters support the idea of an independent body or panel which would develop and disseminate plain english information and background material to electors. The material disseminated by an independent body or panel would more closely resemble the impersonal, reasonable and judicial arguments originally envisaged by the drafters of the Yes/No pamphlet provision in 1912.
- 5.34 Specifically, submitters proposed establishing a panel loosely modelled on the neutral education panel convened in the lead-up to the 1999 referendum. As discussed in chapter 3, that neutral education panel was comprised of constitutional and civics experts. It was given the task of providing information needed by voters to understand the proposal, including information on the current system of government, referendum processes, and background information on the referendum questions.
- 5.35 The Committee supports the concept of an independent Referendum Panel which is created for each referendum. The purpose of the Panel would be to promote the specific referendum and educate voters regarding the arguments for and against the referendum proposal. The Panel should be tasked with providing voters with background and contextual material to aid in understanding the nature of the proposed changes and the effect of its success or defeat
- 5.36 One of the advantages of an independent panel is that information is seen to originate from a non-partisan body. The Referendum Panel would be given the task of providing independent and balanced information to electors. The Committee notes that similar practices have been adopted in other countries.

The Committee recommends that amendments to the *Referendum* (*Machinery Provisions*) *Act* 1984 (Cth) provide for the establishment of a Referendum Panel using a method of appointment which ensures independence and bipartisanship. The Panel would be specifically appointed for each referendum for the purposes of promoting that referendum and educating voters about the referendum arguments.

- 5.37 Membership of the Referendum Panel will be an important factor in ensuring that it can effectively promote the referendum and educate voters regarding the referendum arguments. The Committee is of the view that, consistent with the 1999 referendum, the Panel should have broad bipartisan support.
- 5.38 The reputation, experience and knowledge of the AEC would assist the Referendum Panel. The Referendum Panel would also be able to draw on the experience of the AEC and the work it has already conducted on election education. It is therefore appropriate that a representative of the AEC be included in the membership. However, to protect the integrity and reputation of the AEC and because of the overlapping role in the conduct of referendums, the AEC representative should not chair the Referendum Panel.
- 5.39 The Committee does not wish to be overly prescriptive with regard to the size of the Panel, or the manner of appointment or qualifications of its members as it is important that it be able to be adapted to the referendum at hand. Further these matters were not raised directly in the terms of reference nor by submissions to the inquiry.
- 5.40 History has demonstrated that the range and complexity of referendum questions vary considerably. For this reason, whatever manner of appointment is specified in legislation, the number of members should not be fixed but determined as appropriate to each referendum. However it would be preferable for membership of the Referendum Panel to be limited to a maximum of eight persons to ensure the workability of the group.

The Committee recommends that membership of the proposed Referendum Panel should be a maximum of eight persons, and should include a representative of the Australian Electoral Commission.

- 5.41 As outlined in chapter 4, the methods for disseminating referendum materials are currently limited by the legislation. A number of submissions voiced concern that such restrictions could be disadvantaging certain demographics of Australian electors.
- 5.42 The Committee notes the vast array of media forms and communication that did not exist 10 years ago, much less in 1912. Digital television, email, mobile telephones, instant messaging, the internet and the popularity of social networking sites such as myspace, facebook and twitter, are only some examples of new forms of communication. The Committee also acknowledges that it is likely that another decade will bring further advances in communication technologies. Different technologies have been embraced to different degrees across sections of the Australian public. Age, location, literacy, disability and education can either enable or inhibit access to alternative forms of communication beyond the print medium
- 5.43 The Committee supports the proposed Referendum Panel using a range of technologies and communication forms to disseminate information and educate electors across all demographics. However, due to continuing advances in communication technologies, it would be inappropriate to apply a prescriptive approach. In addition, the effectiveness of particular approaches may vary according to the nature of the referendum. Accordingly, the Committee recommends that the methods of communication should not be specified in legislation.
- 5.44 Rather, the Committee recommends the Referendum Panel identify the most effective mix of communication methods to disseminate material to the public, across the range of demographics. In this regard, the Referendum Panel would be solely responsible for determining an appropriate and relevant communications strategy for the referendum, including identifying what education material should be distributed and the method of distribution.
- 5.45 As part of the communications strategy proposed to be undertaken by the Referendum Panel, the Committee recommends that the Panel be

responsible for determining the most appropriate maximum word length which is to be the same for the Yes and No arguments. Authorisation of the content of the arguments will remain the responsibility of Parliamentarians, as previously discussed.

Recommendation 9

The Committee recommends that the proposed Referendum Panel be responsible for determining an appropriate and relevant information and communications strategy for the referendum, including identifying what education material should be distributed and the methods of distribution.

Recommendation 10

The Committee recommends that the proposed Referendum Panel be responsible for determining the maximum word length which is to be the same for the Yes and No arguments.

Limitations on Australian Government spending

- 5.46 One of the key features of section 11 of the Machinery of Referendums Act is the limitation on Government spending in relation to referendum proposals. Section 11(4) effectively restricts the Australian Government to the distribution of the Yes/No pamphlet by listing explicitly the activities for which spending is permitted. As mentioned in chapter 3, this provision was intended to prevent additional funding being provided for one side simply because it enjoyed Government support. However, by only allowing money to be spent on the Yes/No pamphlet, this provision severely restricts the way in which the Government can engage with electors on issues of constitutional change.
- 5.47 The limitation on Government expenditure in section 11 of the Machinery of Referendums Act significantly curtails the range of possible activities permitted to promote referendum campaigns. The High Court decision in *Reith v Morling* (discussed in chapter 3) indicates that a broad range of activities are prohibited under section 11. For instance, in 1999 in order for the Australian Government to spend money on a campaign in addition to the Yes/No pamphlet, additional legislation was required to be

introduced to temporarily override the limitation on Government expenditure set out in Section 11(4).

- 5.48 Many submitters suggested that the restriction on Government expenditure is a barrier to the development of a more engaging referendum process. They argued that the limitation on expenditure should be lifted in order to allow advertising, information and education campaigns in addition to the Yes/No pamphlet. Other submitters pointed out that the current limitation on Government expenditure only applies to the Australian Government and that state governments are not similarly constrained. This places the Australian Government at a significant disadvantage if a state government campaigns against the referendum proposal. These restrictions also fail to recognise that political parties exist and campaign at both Commonwealth and state level.
- 5.49 If the limitation on Australian Government expenditure is not removed from the Machinery of Referendums Act altogether, then the Government would have to introduce specific legislation each time it considers that more than the Yes/No pamphlet is required for a specific referendum. The Committee considers this to be inappropriate, inefficient and unnecessary.
- 5.50 The Committee is of the view that the current limitation on Australian Government expenditure set out in section 11(4) should be removed and provisions ensuring that all spending is directed to both referendum education and equal promotion of the Yes/No arguments be included.

Recommendation 11

The Committee recommends the Australian Government introduce amendments to remove the current limitation on spending imposed by section 11(4) of the *Referendum (Machinery Provisions) Act* 1984 (Cth) and to include provisions to ensure that spending is directed to referendum education and to equal promotion of the Yes/No arguments.

- 5.51 The restriction on Australian Government expenditure is clearly limiting but is considered by many to be fair because the Yes/No pamphlet is the only official argument provided for under the Machinery of Referendums Act, and so it provides both sides with equal opportunity to make their cases.
- 5.52 Chapter 3 of this report considered how funding could be determined if the limitation on spending was removed. The Committee notes that some

submitters proposed a system of proportional funding based on the votes in Parliament. However there could be issues with this proposal as, where only a small number of members vote against the proposal, it would very difficult to launch an effective No campaign. In addition, the number of Parliamentarians who voted for or against a proposal is not necessarily an accurate indication of the community's views on a proposal. The overwhelming defeat of the preamble in 1999, despite widespread Parliamentary support, is a good example of this.

- 5.53 The Committee considers it important to ensure that the same principles of equality and fairness continue to apply once the limitation on Australian Government expenditure is removed. The Committee therefore supports equal funding of the Yes and No cases, irrespective of their Parliamentary support. This is in line with the original intention of the Yes/No pamphlet as well as consistent with democratic ideals of informed debate.
- 5.54 With regard to the total amount of funding to be provided to the referendum campaign, the Committee considers this an appropriate decision for the Government of the day. It is apparent that referendums require a flexible and adaptable approach-some referendums may require more funding and others less. The Committee is of the view that the funding level for referendum campaigns should be determined on a case-by-case basis and that decision should be taken by the Australian Government.
- 5.55 Although the Referendum Panel will be responsible for determining a communications strategy for the referendum and for determining the format, presentation and word length of the Yes/No arguments, it will not be responsible for drafting any partisan material. The Committee is of the view that the Referendum Panel should be responsible for overseeing the referendum campaign, perhaps based on a mechanism similar to that used in the 1999 referendum. In 1999, Yes and No committees were established and given the task of producing campaign material for and against (respectively) the proposed change to the Constitution.
- 5.56 It is envisaged that there will be Yes and No campaigns for and against any proposed constitutional change. These campaigns would be guided by the communications strategy determined by the Referendum Panel. The Referendum Panel would also determine the equal budget to be provided to the Yes and No campaigns.
- 5.57 As noted in Recommendation 4, members of Parliament would continue to authorise the Yes/No arguments and the legislation should not specify who drafts the arguments.

The Committee recommends that amendments to the *Referendum* (*Machinery Provisions*) Act 1984 (Cth) establish that the Australian Government be responsible for determining the budget available to the Referendum Panel for referendum education and campaign activities.

Recommendation 13

The Committee recommends that the proposed Referendum Panel have the power to make recommendations to the Australian Government concerning the budget to be provided for a referendum campaign.

Recommendation 14

The Committee recommends that the Referendum Panel be responsible for establishing and determining the budget available to the Yes and No campaigns which should be funded equally.

Recommendation 15

The Committee recommends that the Australian Government introduce amendments to the *Referendum (Machinery Provisions)* Act 1984 (Cth) to require the proposed Referendum Panel to provide to Parliament a report of its activities and expenditure at the conclusion of the referendum.

- 5.58 The AEC is responsible for the conduct of elections under the *Commonwealth Electoral Act 1918* (Cth). The AEC is also responsible for the conduct of referendums under the Machinery of Referendums Act. The AEC's reputation for integrity and independence reflects the exemplary manner in which it fulfils its responsibilities under the Commonwealth Electoral Act and the Machinery of Referendums Act.
- 5.59 The AEC currently has responsibility for the postage of the Yes/No pamphlet and the conduct of the referendum proper. The Committee does

not propose any change to the conduct of the referendum itself or the AEC's responsibilities.

Recommendation 16

The Committee recommends that, consistent with the current provisions of the *Referendum (Machinery Provisions) Act 1984* (Cth), the Australian Electoral Commission continue to be responsible for the conduct of referendums.

Additional issue

- 5.60 During the inquiry, attention was drawn to the pitfalls of having separate legislation for the conduct of elections and the conduct of referendums (the *Commonwealth Electoral Act 1918* and the Machinery of Referendums Act). For instance, the AEC acknowledged that because there are different dates for the closing of electoral rolls under each Act, if an election and a referendum were to be held at the same time, it could result in two separate and possibly different electoral rolls.
- 5.61 The Committee agrees with suggestions made by submitters as to the desirability of combining the Machinery of Referendums Act and the Commonwealth Electoral Act.³ This would help ensure consistency between the two Acts, particularly in regard to administrative measures such as the closing dates of electoral roles.
- 5.62 Given the AEC's dual role in the conduct of both referendums and elections, the Committee considers it appropriate for the Machinery of Referendum provisions to be incorporated in the Commonwealth Electoral Act.

The Committee recommends that the Australian Government consolidate and harmonise the machinery of referendums provisions with the *Commonwealth Electoral Act 1918* (Cth).

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