DRAFT Talking Points

FAD reform – implementation delay

Why did the AEC recommend the implementation date to change?

The AEC recommended a change to the implementation date to achieve:

- The implementation of a new system with the best possible, and fully user-tested, functionality
- a smoother transition between systems and processes for the AEC and political participants
- a higher rate of understanding and readiness among political participants
- a subsequent higher rate of initial compliance with the increased disclosure requirements.

Why couldn't you be ready in time?

It is, in part, a reflection on the AEC's ageing election management systems.

When running a federal by-election – as the AEC is in the electorate of Farrer throughout April and May - major system updates and changes are simply not possible with the AEC's ageing digital infrastructure.

The inability to update the AEC's current backend systems during the Farrer by-election would have contributed to a significantly compressed timeframe for user testing and education. Not to mention the final stages of the system build itself.

This sort of system limitation has been felt more regularly for the AEC in recent years across a variety of matters – and is acute with such major reforms. It is one of many reasons why the AEC is currently undergoing a once-in-a-generation build of replacement digital infrastructure.

Why should Australia have to continue with insufficient financial disclosure because you couldn't get your act together?

The decision to recommend a later implementation timeframe wasn't taken lightly.

The reforms are the biggest update to the Electoral Act in 40 years and are complex. It takes a new digital system build, updates to existing/ageing digital infrastructure to support it, new procedural guidance and documentation, a significant staffing uplift, complex procurement processes, a fulsome education program for a diverse and time-poor audience and much more.

Some of the obstacles to the swift implementation of such sweeping reforms are very difficult. This includes our ageing systems, compressed timeframes and the impact of running electoral events concurrently.

The legislation was passed in March – that's a year ago. Surely, it's been enough time?

When the legislation was passed the AEC was in the final stages of preparation for the 2025 federal election. The writs were issued for the election on 31 March and returned on 12 June. Running a full federal election is an enormous undertaking with all hands to the wheel for the writ-to-writ period.

As soon as we were able, we moved as swiftly as possible to build the team required, procure the required external services and plan the implementation of what is one of the biggest change projects in the AEC's 42-year history.

Our full focus is on delivering this project in a way that is designed for a successful transition to the new scheme.

This denies the public swift transparency of donations for yet another six months. Do you agree that is a bad outcome?

While this is six months later than initially intended, it remains well in advance of the next federal election. The lead up to, and during a federal election is a time when significantly more donation activity occurs – the expedited arrangements will be in place for that time.

Our full focus is on delivering this project in a way that is designed for a successful transition to the new scheme.

What if there is another by-election? Are you going to ask for more time?

We're confident that the new timeframe for implementation can be met effectively regardless of whether there is a further by-election in the back half of 2026.

For clarity, we have zero information to suggest there will be another by-election.

Does this mean compliance will be flawless when the new scheme commences?

No. However, the compliance of political participants it is likely to be improved with more time for educational efforts and system testing afforded to us.

Compliance will be challenging for some. The new scheme requires much more information to be disclosed and on a more regular basis. For smaller entities in particular, compliance varies under the current scheme.

The AEC will be doing all it can to educate people about their legal obligations and to achieve the highest compliance rate possible.