



**Northern Territory
Electoral Commission**
EVERY vote counts!

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The Secretary
Joint Standing Committee on Electoral Matters
House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600

Subject: Commonwealth Electoral Amendment (Real Time Disclosure of Political
Donations) Bill 2019

Dear Committee,

Regarding the Commonwealth Electoral Amendment (Real Time Disclosure of Political
Donations) Bill 2019.

Please accept the following Northern Territory Electoral Commission submission to the Joint
Standing Committee on Electoral Matters inquiry considering the Commonwealth Electoral
Amendment (Real Time Disclosure of Political Donations) Bill 2019.

Iain Loganathan
NT Electoral Commissioner

21 October 2019

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

Commonwealth Electoral Amendment (Real Time Disclosure of Political Donations) Bill 2019

Submission from

**Northern Territory Electoral Commission (NTEC)
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The Northern Territory Electoral Commission (NTEC) makes the following observations in relation to the real time disclosure of political donations.

Background

The Northern Territory Legislative Assembly established an Inquiry into Political Donations that was conducted by Hon John Mansfield AM QC. The Inquiry report can be viewed at <https://donationsinquiry.nt.gov.au/>. The NTEC made two submissions to this Inquiry that can be viewed at:

- https://donationsinquiry.nt.gov.au/_data/assets/pdf_file/0004/454648/ntec.pdf; and
- https://donationsinquiry.nt.gov.au/_data/assets/pdf_file/0004/470974/NT-Electoral-Commission.pdf

In reference to the specific issue of real time disclosure of political donations the NTEC's second submission stated 'the cost of moving to ongoing real-time disclosure outweighs the benefits due to the price tag for administering such a system. However, donations during the election period should be in the public domain before election day – an option could be for monthly reporting in an election year with weekly reporting in July and August leading up to election day. Outside election years, material donations (>\$10k) should be disclosed in a more timely manner i.e. within four weeks.'

On this issue the Inquiry report stated 'several submissions called for real-time disclosure of donations. However, as I have discussed above in Section 4.2, a real-time or 24 hour reporting scheme will be expensive to administer, overly burdensome on parties and candidates and likely to be of interest only to a small portion of the population.'

In response to the Mansfield Inquiry a parliamentary committee proposed a number of amendments in regard to political funding and disclosure that was passed by parliament - <https://parliament.nt.gov.au/committees/EPSC/96-2019>. These changes did not include real time disclosure of political donations but increased political disclosure requirements to quarterly reporting in election years and more regular reporting during the election period. Details of new disclosure requirements are available at - https://parliament.nt.gov.au/_data/assets/pdf_file/0004/711868/2.-Tabled-Paper-1-2-Registered-Political-Parties.PDF.

It should be noted that the decision not to adopt a real time disclosure regime in the NT was largely due to the fact that the value of political donations in this jurisdiction did not justify the cost of administering a real time system. Additionally the increased administrative burden of such a system on political parties was also a factor. Parliament determine that an improved disclosure regime could be achieved without a real time system.

Current

Any consideration of real time disclosure needs to consider the cost of administering the system and the additional burden on political parties to comply. Smaller political parties are more likely to struggle to meet real time disclosure obligations and any such system needs to consider their capacity to comply.

Whilst it is a matter for Federal Parliament to determine whether a national real time disclosure system is appropriate, consideration needs to be given that a number of other jurisdictions don't have real time disclosure systems. This would likely create confusion for some political parties as they would be required to disclose donations in real time to the AEC but not to the relevant State/Territory Electoral Commission. Noting that this would not be

the case for some State jurisdictions that have real time disclosure reporting, on the assumption that the disclosure thresholds are the same.

If the Federal Parliament is considering significant reform to the disclosure of political donations that requires significant system redevelopment, consideration should be given to developing one national disclosure reporting portal where political parties can meet both their Federal and State/Territory political donations reporting obligations. This would decrease the administrative burden for political parties making it easier to comply, mean political parties only disclose donations once and all the relevant information on political donations are accessible on one site.