

Question No: 101

Question: Northern Territory Banking Regulations

Date: 12/05/92

Member: Mr COLLINS

To: TREASURER

Does Territory banking, as referred to in sections 6 and 35 of the Commonwealth Northern Territory (Self-Government) Act, have the same meaning as State Banking, referred to in section 51(13) of the Australian Constitution.

ANSWER

Whilst there is no judicial precedent on this point, the court would probably interpret Territory banking as being similar to State banking. However, references to banking other than 'State Banking' in the Constitution are references to Commonwealth legislative power, whereas the references to Territory banking in the Northern Territory (Self-Government) Act are references to Territory ministerial executive authority.

The Legislative Assembly retains, under the Northern Territory (Self-Government) Act plenary powers to make laws with the assent of the Administrator or Governor-General (as applicable) laws which encompass laws as to banking. Whilst the Northern Territory remains a Commonwealth Territory, the Commonwealth has unlimited legislative powers and could override a Territory law, including one on banking.