

Legislative Assembly of the Northern Territory
Social Policy Scrutiny Committee

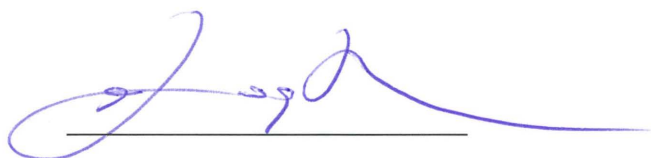
Dear Committee Chair,

Regarding the Introduction to the Local Government Bill 2019.

Please accept the following Northern Territory Electoral Commission submission to the Social Policy Scrutiny Committee inquiry considering the Local Government Bill 2019.

This submission outlines the Commission's concerns and brings to the attention of the committee areas for consideration and suggests the Legislative Assembly should amend the Bill.

The Commission would welcome any opportunity to provide further information to the Committee on this matter, and would be happy to contribute in person at any future hearings.



Iain Loganathan
NT Electoral Commissioner

8 October 2019

Representation reviews

The Bill recommends the establishment of an independent panel to conduct electoral representation reviews. The Commission fully supports an independent process to determine electoral boundaries. The Commission notes that the independent panel will require funding to conduct these reviews, which will need to factor expenses for travel to remote communities and localities.

Presently councils conduct and fund their own representation reviews and may object to funding an independent process that determines their electoral boundaries. Historically, the Adelaide based firm Craig Rowe & Associates conducts the representation reviews for a number of councils with others opting to conduct them internally.

As an indication of an approximate budget, the cost of the 2019 Legislative Assembly (LA) redistribution was \$240K, which did not incur any travel expenses to remote communities. The LA redistribution budget included costs for an external chair and four rounds of public consultation, whilst the proposed representation review would have an internal chair and only one round of public consultation. However, it is likely that the representation review panel would be required to travel to remote communities to consult on proposed changes to regional council ward boundaries.

A ballpark estimate for the cost of the electoral representation reviews would be at least \$200K and consideration is required on how this would be funded. Options for funding include:

- directly charging councils (on a per electors basis)
- the Department of Local Government, Housing
- the Commission being resourced to conduct the reviews.

Donation disclosure requirements

The Bill introduces political disclosure requirements for all council candidates to submit a campaign donation return.

The Commission has concerns about the practical implications of administering this for regional councils. The recent experience at the 2016 Territory Election highlighted the difficulty in collecting disclosure forms from independent candidates, especially those based in remote areas. Limited access to telecommunications through the internet, email and telephone made it difficult to contact candidates in respect to complying with the financial disclosure and compliance laws. In 2016, 17 candidates failed to lodge a return and 27 lodged late returns. It is extremely difficult and expensive to enforce compliance to regional council candidates.

Compliance is going to be even more problematic than LA elections as there are many more remote candidates at the local government elections. Nearly all of these candidates conduct their campaigns on small budgets. The administration of financial disclosure and compliance obligations for remote candidates will be near impossible to administer.

Consideration should be given to having disclosure only for principal members or alternatively only members elected to council as the Commission could request councils to assist elected members in complying with financial disclosure and compliance obligations.

The introduction of disclosure requirements for local government elections will necessitate compliance reviews on returns to verify their accuracy and completeness. The estimated cost of these compliance reviews would be at least \$25K. This will be an additional cost to councils. Furthermore, this cost would increase if all candidates are required to submit campaign donation returns.

Prohibit banned company directors or officers of incorporated associations from being council members

The Bill seeks to prohibit persons banned from being company directors or officers of incorporated associations, from being council members or CEOs. The Commission has concerns on how it administers and checks the banned status of a candidate if included as an eligibility criteria for nomination. Currently, the Commission accepts a nomination form if the candidate has signed the declaration stating that they meet all eligibility criteria. The Commission seeks further clarification on how this provision could be practically administered given the number of candidates and the short time frame between the close and declaration of nominations.