

Thank you to the Parks and Wildlife people who do a lot of work in this area, and the department of Environment and Natural Resources management. May we continue to work together. Thank you to the NT Police too. At times previously, we have had meetings for the Lambells Lagoon people, with the residents who are nearby off Miniata Road, the NT Firearms Council, police and Parks and Wildlife because there were some issues at that time. But it was resolved. That is when I talked about the stakeholders who need to come together and work more cooperatively—which they do. If the magpie management plan is being revised, they are the people we need to get involved.

Thank you everyone who contributed to my motion. I move that the motion be accepted.

Amendment agreed to.

Motion, as amended, agreed to.

### ELECTORAL LEGISLATION FURTHER AMENDMENT BILL (Serial 96)

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Continued from earlier this day.

**Mr GUNNER (Chief Minister):** Mr Deputy Speaker, first I thank the Deputy Leader of the Opposition and the Member for Nelson for contributing. We disagree, obviously, as they are not in support of the legislation. It is important to note that the CLP and the retiring Independent contributed to the debate. It is always important to note who does the work in the Chamber.

I said in my second reading speech and I will say again that restoring trust and integrity to government was one of our key priorities when we formed government in 2016. This bill delivers the final tranche of electoral reforms following reforms to the electoral boundaries and distribution process, a return to full preferential voting, and refining restriction on canvassing at voting centres. This legislation sets out clear and concise rules on financial reforms to create more transparency for political donations and funds spent by candidates and parties to run election campaigns.

I thank the members of the Economic Policy Scrutiny Committee for their time and thorough assessment of the bill. The committee's report and recommendations provide a valuable assessment of the amendments proposed to the *Electoral Act 2004*. You will see that many of the recommendations have been taken out through the committee stage amendments that have been circulated that will help ensure the bill is practical and will be effectively implemented.

I acknowledge the dissenting report from the Member for Spillett and the comments raised about expenditure caps on third-party campaigning, travel and accommodation. I will address those issues upfront.

An expenditure cap has not been applied to third-party campaigners in light of the High Court decision in the case of *Unions NSW & Ors v. State of New South Wales* in January this year. Essentially, the High Court found the reduced expenditure cap on third-party campaigners in New South Wales to be invalid due to a lack of evidence to support reducing the level of expenditure cap. The High Court, in its decision, rejected the notion that the New South Wales parliament did not need to provide evidence to justify the proposed reduction in the value of the expenditure cap applied to third-party campaigners in the New South Wales electoral system.

This goes to the heart of why we have not proposed a cap on expenditure by third-party campaigners in the Territory. Quite simply, we do not have the evidence base to support such a cap. Parliament is required to justify legislation it enacts, especially where that legislation burdens an implied freedom of communication under the constitution. That is, any restrictions on donations or expenditure that may limit freedom of political communication has to be reasonably justified.

As noted in the response to the committee's written questions, the department sought evidence from the Electoral Commissioner on the spending levels of third party campaigners in the Territory, but was advised that information was not available. Without this information there is insufficient evidence to determine the appropriate value of an expenditure cap for third party campaigners in the Northern Territory.

Further, the Inquiry into Options for the Reform of Political Funding and Donations in the Northern Territory, the Mansfield Inquiry, did not include findings to indicate that third party campaigners are a feature of the Territory's electoral landscape. Due to the lack of evidence, an expenditure cap for third party campaigners is not being applied at this time.

The bill does, however, take into account the need for transparent oversight of third party campaigners. The bill includes new and significant penalties for breaching or circumventing the expenditure cap and failing to register as an associated entity or third party campaigner. The penalties reflect the serious nature attached to these offences and send a clear message about the importance of maintaining integrity in the Territory's electoral system.

A clear and specific definition of political expenditure has been included in the bill to identify those third party campaigners who are promoting or opposing a candidate or party during an election period, and allows a clear line of sight for the electoral commissioner to enforce the new registration or reporting obligations, as well as tough new penalties for failing to meet these obligations.

These activities are distinct from, and should not be confused with the rights of community groups, peak bodies and organisations and individuals to advocate for issues which affect the community or sector. In doing so the bill is cautious to ensure public debate on various political issues is not stifled, a right protected by the constitution. Protecting this right promotes and encourages the community's participation in a modern democracy.

The need for a third party campaigner cap at an appropriate level will be reviewed following the 2020 Territory general election, and I look forward to briefing the assembly on the outcomes of this review when it is finalised.

Moving on to the next issue, travel and accommodation will remain outside the definition of electoral expenditure and will therefore not be included in the electoral expenditure cap. This will ensure the travel of candidates contesting rural and remote electorates is not constrained—a particularly important element given the Northern Territory's geographical context.

This approach avoids the administrative complexities that result from different cap amounts for different electorates and is consistent with the approach contemplated by Justice Mansfield. This third and final tranche of electoral reforms has been developed through extensive community consultation.

Consultation was undertaken by the Honourable John Mansfield AM QC when conducting the Inquiry into Options for the Reform of Political Funding and Donations in the Northern Territory. Government then undertook further consultation over a four-week period, releasing a discussion paper to obtain feedback on the inquiry's main recommendations. In addition, as part of the Scrutiny Committee process, all interested and affected parties had the opportunity to put forward a submission. Only two submissions were received at that stage.

Many of the remaining electoral reforms have been informed by the work of the Northern Territory Electoral Commission and recommendations of the 2016 Territory Election Report. The department has worked closely and collaboratively with the Northern Territory Electoral Commission as the content experts and to ensure the legislation can be administered effectively.

When debating and passing legislation in this house, it is always important not to just consider the bill in front of us but to also consider the alternatives. While the members opposite have criticised components of this open and transparent electoral reform, they have said very little of their alternative.

In the absence of their alternative, we must then look at their history to gain a sense of what they might do if they were given the opportunity to govern again. We do not have to cast our minds too far back before we get clear evidence of what the CLP and other conservative parties would do for democracy when given a chance.

When the CLP were last in power, in the dying days of their government, they rushed through amendments to the *Electoral Act 2004*, determined to disempower and disenfranchise Territorians at the ballot box: barriers to polling booths, non-compulsory voting and many other tweaks designed to minimise the damage to their vote after four years of arrogance, cuts and chaos.

The Members for Daly and Spillett were part of that government and voted for those changes. They see elections as an inconvenience to their born to rule mentality and have no qualms about ramming through changes that silence dissenting voices.

I note the Member for Blain was in all of this as well. He was not part of the dying days of the CLP government, I give him credit for that, but his actions during government [inaudible] specific reforms around donations. He

was deeply involved in Foundation 51, the slush fund for improper donations to the CLP run by former chief of staff and current pollster James Lantry.

Foundation 51 is the genesis of Labor's election commitments to electoral reform. Both conservative parties are as bad as the other in this issue, Madam Speaker. That is not about Territorians; it is about seizing power in any way necessary and we will do whatever it takes to hold on to it, democracy be damned.

It is with those alternatives at the front of mind that I know these reforms are steeped in returning to a level playing field and returning the power to the people at election time. I will speak about a few of those reforms. Through the scrutiny committee process it was noted that the bill before the Assembly does not provide for the introduction of per-vote public funding, which was one of Justice Mansfield's main recommendations. As outlined when I introduced this legislation in June, we made the decision as a government not to adopt this recommendation to ensure public funding is not used to fund candidates or for political parties to run their election campaigns.

We believe this is a responsible approach in line with our broader fiscal repair strategy. In line with this change, there will be no cap on political donations, which was also a recommendation of the Mansfield inquiry report. The two are linked. This will allow unendorsed candidates and political parties to raise sufficient funds for elections campaigns without public funding. The absence of a political donations cap is balanced, providing greater transparency of political donations and expenditure across the electoral cycle, particularly in election years.

Those reforms introduce an indexed \$40 000 cap on electoral expenditure for individual candidates, with a pooled cap for political parties. This means that the maximum cap for political parties standing to candidates for all 25 seats will be \$1m. Associated entities will not be subject to a separate expenditure cap, but will instead be required to share the cap with their affiliated political party. This is because associated entities are, by definition, controlled by or operating to a significant extent for the benefit of a party. A shared expenditure cap provides the strongest option for regulating expenditure of associated entities and eliminates any advantage separate caps could provide for political parties with multiple associated entities.

This reform is included to reduce the reliance on private donations, level the playing field across all candidates and minimise excessive advertising. The legislation before the Assembly does not propose applying an expenditure cap for third-party campaigners. Concerns were raised during the scrutiny committee process that not applying expenditure caps to third party campaigners may undermine the intent of the proposed reforms. We had that decision from the high court that provided that we had to have evidence around what third party campaigners' activities were. That evidence did not exist and therefore we could not provide the cap, which also goes to the evidence that third party campaigns are not a feature of Northern Territory campaigns.

I think some of the activities members are believing are third party campaigns are actually donations that have to be recorded through the cap applied to parties or seats. The proposed amendments to section 193 increased donation disclosure threshold for donors to candidates to \$1500 at the end of the financial year. These changes will align the reporting obligations of persons making a gift to a candidate or to a registered party. This will provide for more frequent reporting and increase public awareness of donations received outside of election years, while reducing the administrative donors making small donations to candidates.

This reform is also consistent with recommendation in the Territory 2016 election report. During the scrutiny committee process it was identified that the amendments, as drafted, place obligations on the return, not the person. A committee-stage amendment is therefore proposed to update this provision. These reforms are significant and critical to upholding an open and transparent electoral system. However, this is a dynamic and contemporary area which most modern governments are reforming.

In light of the significance of these reforms I reiterate the commitment I made when I introduced this bill. The proposed amendments to the political donations and expenditure will be reviewed by the Northern Territory 2020 election, with a view to be completed within 12 months of the election. The increased reporting and disclosure obligations required under this legislation will provide a means to review the level of expenditure caps, whether a cap on political expenditure by third party campaigners should be introduced, and if so, the value of the cap and operation of the disclosure scheme.

The 2020 election review will provide a Territory-specific and contemporary evidence base in relation to the Northern Territory electoral system following the reforms. The Member for Nelson's comments were largely based around the NTEC's decision. With the passage of this legislation the government has implemented 22 of 24 recommendations made by the Electoral Commission in its 2016 Territory election report. The

remaining reforms proposed in the bill are largely non-financial in nature and aim to streamline and contemporise voting and electoral processes. I believe there is some confusing between the third party cap and what would be considered a donation. This goes to the concerns the Member for Nelson had.

Most activities that the unions do contribute in an election would fall under a donation to the party and are hence capture by the \$1m cap. As I said earlier, associated entities would not be subject to a separate expenditure cap, but will instead be required to share the cap with their affiliated political party. There is basically no evidence in the Northern Territory around third party campaigns. They can provide the detail we need to apply for a cap and they are not a feature of campaigns in the Northern Territory. This is a theoretical argument and one you can see as scaremongering. It could be argued to be a smokescreen to avoid conversation and debate around Foundation 51 which is the proven element of concern here that needs to be addressed. It is being addressed by this legislation.

The Northern Territory Electoral Commission has recently indicated that it is exploring options to trial electronic voting for overseas postal votes. Maintaining electoral integrity is of utmost importance and government has postponed immediate action to implement electronic voting in the Northern Territory to enable national coordination to take place as agreed by the Council of Australia Governments and the Electoral Commissioners of Australia and New Zealand.

As a part of national coordination efforts to strengthen the security of Australia's electoral system, data and processing including electoral rolls, the Northern Territory is an active participant in the COAG electoral security working group. The Northern Territory is represented in this group by the Northern Territory Electoral Commissioner and the Department of the Chief Minister with support from the Department of Corporate Information Services cyber security experts. We take this function seriously.

The Territory Government continues to support the COAG reform agenda towards establishing nationally consistent and secure internet voting arrangements. That is important to emphasize. At the moment we have to be careful of how you vote is secure and not vulnerable. That is why there has been a national approach to how you might apply or use electronic voting. We should not operate in isolation outside of our commitments to ensuring a nationally secure, robust and trusted electoral system which is in everyone's best interests.

During these sittings the government has introduced the Local Government Bill 2019. This legislation includes a range of consequential amendments to ensure that local government, legislative assembly and electoral processes are broadly consistent. This bill requires all candidates in council elections—rather than only principal member candidates such as mayor or presidential candidates—to submit campaign donation returns.

While the donations disclosures outline the Local Government Bill 2019 as not as comprehensive as those proposed in Electoral Legislation Further Amendment Bill 2019, they are reflective of community expectations and government's commitment to integrity reforms. The Local Government Bill 2019 will also align offences relating to campaign material with the timeframe for commencing prosecutions from three to four years with provisions set out in the Electoral Legislation Further Amendment Bill 2019.

It is important to let the Northern Territory Electoral Commission get on with their job, which I hope we will be able to do soon with the passage of legislation—not to presume the House. Let the Northern Territory Electoral Commission finalise its processes with these new laws in the lead up to the 2020 election and allow them sufficient time to educate the candidates, political parties and Territorians on the new obligations this bill sets out.

I thank Justice Mansfield for his report that led to this work and from the Department of the Chief Minister Maria Moore, Jean Doherty, Genevieve Muggidge and Mandy Olsen. I thank the Electoral Commissioner Iain Loganathan and his staff that were involved. I thank the Office of Parliamentary Counsel, the Economic Policy Scrutiny Committee, those that made submissions and everyone else who had a part to play in getting the bill to where it is today.

I look forward to the (inaudible) committee debate and commend the bill to the Assembly.

**Mr DEPUTY SPEAKER:** The question is that the bill be now read a second time.

The Assembly divided.

Ayes 13

Noes 5

Ms Ah Kit	Mr Collins
Mr Gunner	Mrs Finocchiaro
Mr Kirby	Mr McConnell
Ms Lawler	Mr Mills
Mr McCarthy	Mr Wood
Ms Manison	
Ms Moss	
Ms Nelson	
Mr Paech	
Mr Sievers	
Ms Uibo	
Ms Wakefield	
Mrs Worden	

Motion agreed to; bill read a second time.

### Consideration in detail

Clauses 1 to 4, by leave, taken together and agreed to.

Clause 5:

**Mrs FINOCCHIARO:** Chief Minister, in your definition of third party campaigner, it says that it means a person who or an entity that incurs or expects to incur more than \$1000 of political expenditure—through the capped period and does not include a candidate, a registered party or an associated entity. You mentioned in your second read that there is no data on third party campaigners. What data is it that you asked for?

**Mr GUNNER:** I asked the Electoral Commission to provide evidence on third party activities so that you could find a cap.

**Mrs FINOCCHIARO:** What was the result of that request?

**Mr GUNNER:** Zero. Nada. Nil.

**Mrs FINOCCHIARO:** Why do you think there was zero data on third party campaigners?

**Mr GUNNER:** The Electoral Commissioner had no data or evidence on any activity by third party campaigners and the financial expenditure that they might have. As a result—that is the answer. They did not have any data.

**Mrs FINOCCHIARO:** Do you think that maybe they did not have any data because it has never had to be reported before?

**Mr GUNNER:** We asked for advice on what people had expended and it is required under the previous act for people incurring political expenditure to declare it. The data did not exist. And remember, it was also found by Mansfield that third party campaigning was not a feature of previous Territory elections. It was not an answer given in a vacuum of context, Mansfield had found that there was no feature for third party campaigners in the Territory before.

**Mrs FINOCCHIARO:** I find that extraordinary. Why are you going ...

**Mr GUNNER:** I do not think you should reflect on Justice Mansfield like that.

**Mr DEPUTY SPEAKER:** Order, resume your seats. Honourable members ...

**Mrs FINOCCHIARO:** I am not commenting on what Justice Mansfield said, I am commenting on what you were saying. Do you not disagree with the Electoral Commissioner then, who has very clearly stated in his submission to the scrutiny committee that, without a cap on third party campaigners there will not be a level playing field at the next election?

**Mr GUNNER:** You need evidence to provide a cap. No evidence existed to be able to provide a cap. It is a very clear High Court decision: no evidence, no cap.

**Mrs FINOCCHIARO:** Can you repeat that? You are conflating two issues.

**Mr GUNNER:** I think it has been answered then and in the second reading.

**Mrs FINOCCHIARO:** You disagree with the Electoral Commissioner, that there will not be a level playing field at the next election?

**Mr GUNNER:** It has been answered.

**Mrs FINOCCHIARO:** Do you agree that we would then be the only political disclosure system in Australia where third party campaigners will not be subject to a cap?

**Mr GUNNER:** I think this is exchanging words for the sake of it now. These have all been answered.

**Mrs FINOCCHIARO:** We are not just exchanging words ...

**Mr DEPUTY SPEAKER:** Order. Deputy Leader of the Opposition, please remain in your seat for a moment. I remind honourable members that comments are to be directed through the Chair.

**Mrs FINOCCHIARO:** I want to know whether the Chief Minister agrees that, if this passes, the Northern Territory will then be, and I quote the Electoral Commissioner, 'The only political disclosure system in Australia where third party campaigners won't be subject to a cap, while political parties, candidates and associated entities will be subject to a cap'.

**Mr GUNNER:** Do you have a question to clause 5 on definitions?

**Mrs FINOCCHIARO:** Yes, it is about third party campaigners. I just asked you the question ...

**Mr GUNNER:** Do you have a question about definitions.

**Mrs FINOCCHIARO:** How is your ...

**Mr DEPUTY SPEAKER:** Order! Resume your seat! I just told honourable members to direct through the Chair and to wait the opportunity—until given—to respond. Deputy Leader of the Opposition, you have the call now. I will remind honourable members to direct through the Chair.

**Mrs FINOCCHIARO:** I do not know if the Chief Minister wants me to repeat the question again. I want to know if he agrees with the Electoral Commissioner that under this legislation that the government is proposing to pass this evening, it will mean we are the only political disclosure system in Australia where third party campaigners will not be subject to a cap, while political parties, candidates and associated entities will be subject to a cap.

**Mr DEPUTY SPEAKER:** Chief Minister, you have an opportunity to respond ...

**Mr GUNNER:** I am waiting for a question to a definition.

**Mrs FINOCCHIARO:** It is clear that the Chief Minister does not want to answer the question. And the reasons why are clear. You can obfuscate this process as much as you want, Chief Minister, I am not going away. If you want a different question, I can ask a different question. I have asked two that you have not answered. I can ask you another one.

Under your definition of third party campaigner, what type of organisation or individual would fit?

**Mr GUNNER:** As described in the clause.

**Mrs FINOCCHIARO:** So would a union fall under the definition of third party campaigner?

**Mr GUNNER:** The definition is there and, as described, anything that falls under that definition would be a third party campaigner.

**Mrs FINOCCHIARO:** Conceivably a union, lobby group, a wealthy individual—anybody could be a third party campaigner.

**Mr GUNNER:** As defined by the bill.

Clause 5 agreed to.

Clauses 6 to 36, by leave, taken together and agreed to.

Clause 37:

**Mr GUNNER:** Mr Deputy Speaker, I move amendment 1 to clause 37(3). The amendment will replace the reference to section 69(1)(a) with 69(1)(b) in the proposed section 69(3). The amendment will address a drafting error identified during the scrutiny committee process.

Amendment agreed to.

**Mr GUNNER:** Mr Deputy Speaker, I move amendment 2 to clause 37(6). This will relate to amendment 3. Amendment 2 to clause 37(6) omits the words 'a region may be declared to apply to one or more specific early voting centres' from proposed section 69(2A) to be replaced by the words 'the Commission may declare an early voting centre to be an early voting centre for one or more regions'. The amendments will give effect to recommendations 2 and 3 of the Economic Policy Scrutiny Committee.

Amendment agreed to.

Clause 37, as amended, agreed to.

Clause 38 to 40, by leave, taken together and agreed to

Clause 41:

**Mr GUNNER:** Mr Deputy Speaker, I move amendment 3 to after clause 41(4). This relates amendment 2. Amendment 3 omits the words 'if the centre is not in the region in which the person's enrolled division is situated' from section 72(2)(b) and replaces the words with 'if the centre is not declared to be an early voting centre for the region in which the person's enrolled division is situated'. The amendment will effect to recommendation 2 and 3 of the Economic Policy Scrutiny Committee.

Amendment agreed to.

Clause 41, as amended, agreed to.

Clauses 42 to 91, by leave, taken together and agreed to

Clause 92:

**Mrs FINOCCHIARO:** Chief Minister, under clause 92 there is section 175B, deadline for lodging applications. I wanted you to clearly state when do third party campaigners have to register under that section?

**Mr GUNNER:** Registration must occur prior to third party campaigners incurring more than \$1000 of political expenditure. They register if they know they are going to be involved and it is going to over \$1000. The emphasis is on them.

**Mrs FINOCCHIARO:** To clarify, this section says if an application is received by the commission less than five days before the relevant election the commission must refuse to register applicant—and where were you reading from Chief Minister?

**Mr GUNNER:** This is section 92. You are going to timeline? I will come to your point in a second. What we are saying is that if you are going to incur more than \$1000 you have to register prior to the incurring ...

**Mrs FINOCCHIARO:** Prior to the point of incurring the \$1000.

**Mr GUNNER:** Prior to the incurring. The emphasis is on the third party campaigner needing to register before spending \$1000. If you have spent the \$1000 and have not registered then you have breached.

**Mrs FINOCCHIARO:** So 175B is if you decide 4 days out from the election that you would like to spend over \$1000, you cannot?

**Mr GUNNER:** That goes more to a practical thing for the Electoral Commission. Once you get within a certain timeframe of the election date it gets messy. You have to be declaring that earlier.

**Mrs FINOCCHIARO:** I am not questioning the intent. I want to understand the timeframe. If a third party campaigner believes they are going to incur an electoral expense greater than \$1000 they must register before they spend the \$1000. If a third party campaigner decides to spend \$1000 in the last five days of the election they will not be able to because the commission must refuse to register them.

**Mr GUNNER:** That is correct.

**Mrs FINOCCHIARO:** At the point in time of registering for the third party campaigner, does that become public automatically?

**Mr GUNNER:** We are just clarifying. For a number of things in the act we have said as soon as practicable. Essentially at the Electoral Commissioner's request on a number of these things that are administrative, they have said we get the desire to publish immediately. The government is working for it ASAP but the Electoral Commissioner asked if we would mind wording it 'as soon as practicable' so that their systems can cope. It would be quick.

**Mrs FINOCCHIARO:** In 175N it says that the commission must make the registers kept under 175L and 175M available on its website. There is no timeframe for that though. Is it an automatic requirement to update? Is there a grace period? Is it only on the election day?

**Mr GUNNER:** The Electoral Commissioner is required to update as soon as practicable after receiving the registration.

Clause 92 agreed to.

Clause 93 agreed to.

Clause 94:

**Mr GUNNER:** I move an amendment to clause 94(2) to omit the words 'who contested an election that was within four years before election day for the election' from opposed section 174(d) and replaces it with 'who contested the last general election or an election since the last general election'.

During the scrutiny committee process it was noted that there may be more than four years between general elections. This amendment will ensure that a candidate includes a person that contested for the last general election. It was a question around the Saturdays—it can be a couple of days out from four years—which is an important catch.

The amendment will give effect to recommendation 4 of the Economic Policy Scrutiny Committee.

Amendment agreed to.

Clause 94, as amended, agreed to.

Clause 95:

**Mrs FINOCCHIARO:** Chief Minister, Clause 176A, subsection 4, despite anything to the contrary in subsection 1 or 2, electoral expenditure does not include expenditure on travel or accommodation. Why has travel or accommodation been excluded from electoral expenditure?

**Mr GUNNER:** This is, from our point of view, a practical policy measure which I understand you disagree with, but I think we may be trying to get to the same place by different means.

We have brought in the spending cap of \$40 000 per seat, which can also be applied out if you are a political party running in all 25 seats, to \$1m.

There is some complexity trying to calculate what might be a cap by cap basis for seats, if you included everything. It is simple to say, remote seat versus urban. Some seats have a mix of remote and urban and some remote seats are dramatically larger than other remote seats. It can be difficult to determine which is



which and once you start adjusting those caps, calculated by 25, you create an amount larger than \$1m. And political parties can then, potentially, flow that money in different ways.

We want to provide a consistent cap of \$40 000 per seat and \$1m per election, per party, then allow for those things which are genuine differences between remote and urban, which is the travel and accommodation. This is an attempt to get, if you look at it holistically, a system that works with the spending cap by seat and by party.

If you are a candidate running in a remote seat, you have a \$40 000 overall cap but your travel and accommodation is not caught up in it, so you do not have to get into this argument election to election or cycle to cycle about the size of the seat and which might get what amount of money and this one is more difficult to drive around than that one. It is a uniform cap.

It also means a political party cannot flow money strongly into a particular seat with a larger cap. The \$1m is meant to put downward pressure on spending during campaigns. I did not want to see the overall cap explode because that would defeat the purpose of the legislation, which is one of the dangers when you start doing 40 for this seat, 60 for that seat, 80 for that seat.

I thought 40 was a fair minimum based on the evidence we had. Start going out more than that, you get a perverse outcome that defeats the point of the legislation. That is why we got to where we got to. I understand you would like to do it a different way but that is how we got to this situation.

**Mrs FINOCCHIARO:** I cannot understand how you can think unfettered expenditure on travel or accommodation is not creating a perverse outcome. Even the Member for Nelson today explained in the debate there are different ways in which travel and accommodation could be accounted for, either by some means of additional cap or requesting an allowance for remote activities from the Electoral Commissioner.

It is extraordinary that at a time when we are trying to put caps and limitations and restore integrity into the process, all expenditure on travel and accommodation is not even disclose-able.

If the government has decided not to cap travel or accommodation, why has it also made it non-disclose-able?

**Mr GUNNER:** This is a practical approach to the geographic challenges in the Northern Territory and also recognises some of the feedback we had through our consultation on the administrative burdens of placing it on the Electoral Commission or others.

It is just practical on both steps. Practical in terms of geography and practical in terms of its application. Having campaigned a lot in the Territory, I think this is the right thing to do by bush members, which goes across parties and to independents. We have had CLP, ALP and Independent remote members. I think this is a practical understanding of how that works.

**Mrs FINOCCHIARO:** Justice Mansfield raised concerns about this specific issue, Chief Minister, and I will quote from the report,

*I have recommended imposing a cap on electoral expenditure for registered parties and candidates. Registered agents for parties and candidates will be required to ensure that spending on volunteer labour forces, including airfares, accommodation and the value of wages where the volunteer is not undertaking paid leave, does not exceed the cap.*

How is it that the government has not arrived at a position—even if you take caps aside—to, at the very minimum, disclose the quantum of the travel and accommodation? Under this legislation even candidates themselves are not required to disclose it with the Electoral Commission.

**Mr GUNNER:** I think this a practical application of the intent behind Justice Mansfield's report. Justice Mansfield also made comments around candidates and recognised that with respect to candidates. I think once we got into looking at the flat spending cap, both per seat and overall, and listened to the feedback around the NT Electoral Commission and others' administrative burdens that we were placing on them to make this work—we think it was practical.

There is nothing sinister here. You lot think there is something sinister here. We believe it is genuinely a practical application for the geographic challenges we have in the Northern Territory and the administrative burden that goes behind these things.

**Mrs FINOCCHIARO:** There is no question that campaigning out in those large, bush rural electorates is a completely different undertaking than campaigning in an urban electorate. That is why we believe there could still be mechanisms to allow for that, but which provide that integrity in the process—at a minimum, a disclosure requirement. We are really concerned about the unequal playing field that this particularly put Independent candidates in if they are having to face party machines, third parties, unions, lobby groups and all these other organisations who can spend unlimited amounts on undertaking those activities and not have to ...

**Mr GUNNER:** I can clarify something there, Member for Spillett. If it is donated travel and accommodation then it has to be declared. I think you might be expanding the next out too wide here. If you were to donate a charter or a room, then that needs to be declared under the cap. We are kind of talking about volunteers who are hopping into a car and driving some distance. For clarity, in terms of—we were potentially heading there. If it is donated travel, donated accommodation has to be declared under the cap.

**Mrs FINOCCHIARO:** But if a plane full of unionists fly out to somewhere and are campaigning, that is not disclose-able?

**Mr GUNNER:** I think I have provided a reasonable explanation of how it works.

**Mrs FINOCCHIARO:** I will take that silence as an affirmative, thank you.

Clause 95 agreed to.

Clauses 96 to 101, by leave, taken together and agreed to.

Clause 102, by leave, agreed to.

Clause 103:

**Mr GUNNER:** Mr Deputy Speaker, I move amendment 5 to clause 103(1). This relates to amendment 6. Amendment 5 omits 'if, during the disclosure period for an election, a person (other than a registered party, candidate or associated entity)' and replaces it with 'to a person (other than a registered party, candidate or associated entity) who, during the financial year'. Amendment 5 will make the provision clearer by removing the implication that 'return' may relate to more than one person. The amendment will give effect to recommendation 5 of the Economic Policy Scrutiny Committee.

Amendment agreed to.

**Mr GUNNER:** Mr Deputy Speaker, I move amendment 6 to clause 103(4). This relates to amendment 5. Amendment 6 omits the words 'each person referred to in subsection (1)' in proposed section 193(4) and replaces the words 'the person'.

Amendment 6 will make the provision clearer by removing the implication that a return may relate to more than one person. The amendment will give effect to Recommendation 5 made by the Economic Policy Scrutiny Committee.

Amendment agreed to.

Clause 103, as amended, agreed to.

Clauses 104 to 107, by leave, taken together and agreed to.

Clause 108:

**Mr GUNNER:** I move amendment 7 to clause 108(5). The amendment omits the words 'an election the election day for which was within four years before election day for the relevant election'. Proposed section 197(7) and replace the words 'the last general election or an election since the last general election'—a significant improvement.

The amendment is related to amendment 4 and clarifies that there may be more than four years between general elections. The amendment is consistent with and supports the implementation of Recommendation 4 of the Economic Policy Scrutiny Committee.

Amendment agreed to.

Clause 108, as amended, agreed to.

Clauses 109 to 114, by leave, taken together and agreed to.

Clause 115:

**Mrs FINOCCHIARO:** Chief Minister, under clause 115 is section 203B, applicable caps on electoral expenditure. This is where you decided not to put caps on third-party campaigners. Do you agree with the Electoral Commission that now this will not stop ‘well-funded organisations or individuals from spending funds well in excess of the \$40 000 cap to run negative campaigns against parties or candidate’?

**Mr GUNNER:** I agree with Justice Mansfield that there have been no findings that this is a feature of Northern Territory election campaigns. I agree with the Electoral Commission when they could not provide me the evidence of third-party campaigns. I believe after going to the next Territory election we will have evidence of what occurs in a third-party campaign. Considering they have neither been a feature of previous campaigns or any evidence exists of what they are to be able to provide a cap, we will know after the next Territory election the certainty of that.

**Mrs FINOCCHIARO:** Why would you not seek to create certainty and a level playing field right now, today, in the first major reform of this legislation in the spirit that it was intended? Why would you not put a cap for one, a cap for all? Put it in and then you will not need to review it because it provides the level playing field.

**Mr GUNNER:** Because the High Court decision says you need an evidence base. We do not have an evidence base. Third-party campaigns have never been a feature of the Territory, so therefore, it is all highly theoretical. We will know after the next Territory election if anyone chooses to be a third-party campaigner and how much they will spend which will then provide an evidence base for a future cap. But as Justice Mansfield found in his report, this has not been a feature of Territory campaigns and the Electoral Commissioner could not point to any evidence of what has ever been spent by a third-party campaigner to form a cap, which is required as a result of the High Court decision.

**Mrs FINOCCHIARO:** None of that justifies leaving out a cap for third-parties. It is a shameful interpretation of the High Court decision—one that you are hiding behind ...

**Mr GUNNER:** No, it is not.

**Mrs FINOCCHIARO:** ... highly ineffectively might I add. Justice Mansfield said in his report that the level of political donations, unless controlled, may give rise to some loss of confidence in the integrity of the political system.

The Electoral Commissioner has raised huge concerns about this. You have an opportunity to provide a high-level reform to provide that integrity that is so desperately sought after and instead you are walking away from it despite the warnings from the Electoral Commission, the learnings from Justice Mansfield’s report and sticking with just having caps for the three out of the four entities instead of for third-party campaigners.

**Mr GUNNER:** I don’t accept the Member for Spillett’s advice that we should contravene a High Court decision. I do not accept that. I am not going to do that. I am not going to contradict the High Court. I do not accept that recommendation. From our side, we are going to remain highly legal.

**Mr DEPUTY SPEAKER:** Members, please cease interjecting. We have endless amounts of time here.

**Mr GUNNER:** I am not going to accept the Member for Spillett’s recommendation to break, as far as I can tell, a High Court decision and break that case law. I am not going to do it. We are going to remain highly legal on our side. We are doing everything above board. We have acted on those things that are known. Let us be clear: no evidence base, no findings that this is a feature of third-party campaigns so a theoretical allegation.

We have acted on the concerns that were expressed by police in a referral to the DPP. The only negative finding of Justice Mansfield, which was against the CLP and the associated entity of Foundation 51, so what this bill does is pick up on actual things that have occurred badly and improperly from the CLP, so it is no

surprise to again find the CLP in this Chamber recommending we do things that would breach a High Court decision. I will not do it. I do not accept it.

We have done what we can do to have good, strong laws in the Northern Territory based on, unfortunately, the tragic behaviour of the CLP that saw us come to office this term. The reforms were made this term in response to the CLP actually doing things that break the trust of Territorians that were found by both the police in their referral to the DPP and found by Justice Mansfield to have been improper.

That is what we have done and what we are acting on; a CLP and ex-CLP that did the wrong thing and we are now cleaning that up. We are not going to breach the High Court decision. We have been very patient and clear about how we are dealing with that. There will be an evidence base after the next Territory election which will allow us to act off that High Court decision.

**Mrs FINOCCHIARO:** Wow. Chief Minister, you have once again shown yourself to be, one, completely out of touch; two, completely incompetent; three, hiding behind some cloak of a High Court decision is so embarrassing I do not even have the words to describe it tonight in the Chamber. Your government said it would restore trust and integrity into the process. This is an opportunity to do that.

You have had experts provide you with advice and now you are dressing this up as some kind of breach of a High Court decision and again going to your happy place of blame everyone else for all your misery, incompetence and inability to govern. It is just not going to cut the mustard. That is not an excuse. It is not acceptable. It does not pass the pub test. It is a fundamental missed opportunity.

You have not heard the concerns of the Electoral Commissioner and the community that if there is going to be a cap, there should be a cap for everyone to provide certainty and a level playing field. That is the position of the Country Liberals who have come to this process with open arms, welcoming reform in this place, going on this journey with your government. You have failed in two fundamental areas and it cannot be supported because of that.

Clause 115 agreed to.

Remainder of the bill, by leave, taken as a whole and agreed to.

**Mr GUNNER (Chief Minister):** I formally note that we have in front of us a bill that will finally clean up the situation we had around Foundation 51. This bill will see the CLP no longer have a slush fund like they did under Foundation 51. It cleans up the mess the CLP made and it is important to note that the CLP are not supporting the bill that allows us to clean up Foundation 51. That is a decision they have made today, to not support the bill. It is a shame.

I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

## ADJOURNMENT

**Mr McCARTHY (Acting Leader of Government Business):** Mr Deputy Speaker, I move that the Assembly do now adjourn.

**Mrs FINOCCHIARO (Spillett):** I rise to congratulate the Palmerston and Litchfield Seniors Association for an outstanding Senior Fortnight 2019. They deserve an enormous round of applause for their dedication and commitment to delivering an action packed fortnight or a wide variety of activities for our seniors.

The Palmerston and Litchfield Seniors Association are made up of both members of our seniors community from the City of Palmerston and the Litchfield Council municipality. The Litchfield component is increasing significantly which everyone is welcoming and is now represented by 33.3% of that committee membership. It includes holding the position of vice president. This is something to be applauded because our Palmerston and rural seniors are close, share amenities and share the activities offered by both municipalities.

We have both councils and members of our seniors community coming together to ensure they work collaboratively to deliver opportunities for our seniors who deserve it. I thank the management team of the PLSA: the president Margaret Lee; vice president Diane Spicer; secretary Sally Howarth; treasurer Cheryl Septum; public officer Neville Driver; grants officer Rod Edwards; and the rest of the general committee team