



**E-MAILED**

2/10/17

*Legislative Assembly of the Northern Territory*

**GERRY WOOD MLA**

Independent Member for Nelson

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2 October 2017

Commissioner John Mansfield  
Political Funding and Donations Inquiry  
GPO Box 4396  
DARWIN NT 0801

Dear Commissioner Mansfield

**Inquiry into Options for the reform of Political Funding and Donations in the Northern Territory**

Please accept my apologies for the lateness in response, I have been overseas and returned with a good dose of the flu.

I have put together some dot points which relate to matters raised in Parliament and also matters outside of Parliament with relation to *any comments on other matters relevant to political donations and funding in the Northern Territory*.

1.

- A motion to set up an inquiry into political donations was moved by myself on the 20<sup>th</sup> Aug 2016 Motion was passed on the voices
- Motion read

*I move that the Northern Territory Legislative Assembly establishes an inquiry under section 4A of the Inquiries Act to investigate all aspects of political donations in the NT in the interests of public transparency and accountability, with particular reference to:*

- 1. all existing legislation and any other relevant legislation relating to political donations*
- 2. all donations to political parties and Independents in the NT over the last 20 years*
- 3. the role of politically allied companies, such as Harold Nelson Holdings and Foundation 51, and any other third parties to see if they are being used as fronts to avoid the disclosure of political donations*

4. the transparency and accountability of existing funding regimes

5. other jurisdictions and their practices in relation to political donations

6. other matters the board of inquiry may wish to pursue that would assist in improving the confidence of the public in relation to the transparency and full disclosure of political donations and possible effects on government policies and approvals.

The inquiry should report back to the Administrator within six months or any other extended period it reasonably considers necessary with any recommendations it considers appropriate that would improve the transparency and accountability of any matters relating to political donations.

- Chief Minister Adam Giles told the NT News on the Friday before the Casuarina bi election that he was going to go ahead with inquiry
- The first sitting day after the election the motion was amended in Parliament as follows

**Mr ELFERINK (Leader of Government Business):** Madam Speaker, I move that this parliament suspends standing orders pursuant to Standing Order 306 to allow a motion which:

1. rescinds the motion of Mr Wood, the member for Nelson, on 20 August 2014 under the Inquiries Act relating to political donations
2. replaces this motion with an alternative means of independently investigating political donations.

And replaced with the following

**Mr ELFERINK (Leader of Government Business):** Madam Speaker, I move that

1. parliament rescinds the motion of Mr Wood on 20 August 2014 under the Inquiries Act relating to political donations
2. the government establishes an investigation administered by the Department of the Chief Minister to investigate the process of political donations in the Northern Territory.

The parliament notes the Chief Minister will appoint an independent investigator who will report with particular reference to:

1. existing legislation and any other relevant legislation relating to political donations
2. other jurisdictions and their practices in relation to political donations
3. the administration of public election funding models in the other jurisdictions and their potential application in the Northern Territory.

The appointed investigator will report to the CE of the Department of the Chief Minister in February 2015 with recommendations considered appropriate to improve the transparency and accountability of any matters relating to political donations in the Northern Territory. The Chief Minister will report the findings of the report to the Assembly in the first quarter of 2015.

That motion was passed.

I have always felt that by rescinding the original information the CLP had something to hide and this was reinforced by the fact they did not want anyone looking at Foundation 51.

2.

- I brought forward a motion on the 16<sup>th</sup> October 2016

**Mr WOOD (Nelson):** *Mr Deputy Speaker, I move that the Northern Territory government, in light of the serious violence in Mitchell Street, introduce changes similar to the measures introduced in Newcastle which have been shown independently to have:*

1. *reduced alcohol-related non-domestic assaults by 33% over the last five years, a 26% reduction in hospital ED admissions*

2. *82% community support for the small reduction in late trading hours*

3 *a very important reduction in preloading, and*

4 *a reduction in the average levels of binge drinking.*

The bill was defeated 23 to 1. I note that in the previous election both parties received \$150,000 from AHANT.

3.

Before the last general election the Labor party made some promises to the AHANT. (Attached)

The following was reported in the NT News, Jan 27<sup>th</sup> 2017.

*THE NT Labor Party has revealed it received \$50,000 in two separate donations from Australia Hotels Association president and publican Mick Burns — one through a company and another as a personal donation.*

*The party came forward with the information when asked by the NT News, which a spokesman said was shared in the interest of transparency.*

*A donation of \$10,000 was made to the Labor Party in the 2015/16 financial year through a company called Salsa Holdings that is affiliated with Mr Burn's pub interests. Another \$40,000 donation was made by Mr Burns personally in the lead-up to the August Territory election. That figure will not be revealed on NT Electoral Commission disclosure forms until March 2018, but the party disclosed it upfront.*

Did this have an influence on the agreement?

I have only had time to look at these three issues but I did receive concerns from various people regarding a civil contracts being awarded to a company [REDACTED] that put in a high tender for [REDACTED] and won the contract but I haven't been able to track down the details. They were a donor to the CLP.

In relation to *Suggestions for reform of current public funding levels, donation caps or disclosure requirements* I would like to make the following suggestion.

The inquiry should seriously consider looking at the electoral requirements for any one standing in an election for the Parliaments of the Territories of Nunavut and the North West Territory in Canada.

[http://www.elections.nu.ca/sites/default/files/documents/guide-candidates-4-en\\_5.pdf](http://www.elections.nu.ca/sites/default/files/documents/guide-candidates-4-en_5.pdf)

One of the interesting parts of the electoral act is the limitation on how much can be spent by each candidate - \$30,000 – which means everyone is on the same level playing field when it comes to an election. I think this would be

a great idea for the Territory. They don't have limitations on who can give money but of course that is all open and transparent. There are some other good ideas in their electoral process that would be worth considering.

If not and the recommendations of the inquiry are to retain what we do presently then I believe there should be no donations from developers, tobacco, alcohol and gambling interests similar to what happens in NSW.

This is what I proposed some years ago but it didn't get a guernsey:

*Second reading - Electoral Amendment Bill 2016 – Serial 155*

*This bill was intended to have been introduced in Parliament last year but on advice it was delayed to allow the High Court to make its determination about a challenge to a similar law that is already operating in NSW called the Election Funding, Expenditure and Disclosures Act. The High Court ruled in favour of the NSW legislation saying that the ban on political donations from property developers is not an impediment to political communications and that the law simply targets funds from a group that has a great deal to gain from influencing political decisions.*

*The Bill before you is based on the same NSW law but does not include the section on the capping of donations. I have been considering an alternative to the capping of donations, the capping on expenditure by each candidate, but that may be for another day.*

*The NSW High Court determination upheld a state-wide ban on political donations from property developers. The Court said that these bans support and enhance equality of access to government and more broadly the whole system of representative government.*

*For too long I believe we have a system of political donations which allow governments to be easily influenced by groups who, by donating to a political party or to a person within that party, are able to influence decision-making for personal gain.*

*The areas where this is likely to happen are in land and property development and within the alcohol, gambling and to a lesser extent the tobacco industries where, in the NT, the Government controls planning and licencing.*

*Anyone going through our electoral records would quite easily recognise the source of donations to both sides of politics. At the last election there were considerable sums of money donated from the AHANT – the representative of the alcohol industry in the NT. Since then there have been more liquor licences granted in the Palmerston area and probably more to come. The Government changed the rules to raise the number of pokies allowed in venues, and passed the legislation at a time to try and avoid both Parliamentary and public scrutiny.*

*There have been changes approved to planning schemes, rezoning approvals and other matters which certainly potentially benefit property developers. Have a look at the election returns and see the number of property developers donating to political parties. Some developers will hedge their bets and donate to both parties, whilst others stick with just one which is usually the CLP.*

*This proposed legislation adds a new section to the electoral act specifying who are prohibited donors and the penalties for breaches of sections of this act.*

*Obviously there will be concern by political parties that they may lose revenue they need to fight an election. There will be concern from those classified as prohibited donors who believe they have the right to donate to the party of their choice and if they can't they believe they will not have the ear of Government when they are lobbying for their projects. Remember what the Treasurer once said donations would open his door "if you ever need to talk to me about something (ABC webpage). Under these amendments, developers will appreciate that when their applications are approved they are approved on merit not due to donation.*

*I know the Electoral Commissioner has expressed some concerns about his ability to have the resources to carry out the investigative and prosecutorial work but if extra staff are needed that would be something the Government would need to consider.*

*I believe therefore that this legislation should go out for public comment. As happens in Queensland, a unicameral system, the norm would be for a Parliamentary Committee to then consider the legislation, invite public comment and report back to Parliament with amendments if required for a final debate and a vote to be taken.*

*I propose that the committee would be made up 4 members, 2 from Government, one opposition member and myself as the independent with the Government member holding the chair.*

*The committee would be required to report back to Parliament by the 20<sup>th</sup> April.*

Thank you for the opportunity to put in a submission to the inquiry

Yours sincerely

A handwritten signature in black ink, appearing to read 'Gerry Wood', written in a cursive style.

Gerry Wood MLA

ORIGINAL PAPER

No. 220

Laid upon the Table

14 1 3 17



Higgins

PAPER TABLED

14 1 3 17

CLERK:

*[Signature]*

## LEADER OF THE OPPOSITION

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Mr Des Crowe  
Chief Executive officer  
Australian Hotels Association  
PO Box 3270  
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By email: [admin@ahant.com.au](mailto:admin@ahant.com.au)

Dear Mr Crowe

**RE: AUSTRALIAN HOTELS ASSOCIATION NT SURVEY**

Thank you for the opportunity to present the position of Territory Labor on the issue of concern to the AHA (NT).

Attached please find our responses to your survey.

Territory Labor acknowledges the valuable role the AHA plays in providing representation to an industry which is of great importance to the employment and economic growth of the Territory.

I look forward to responding to any other issues you may raise.

Yours sincerely

*Michael*

MICHAEL GUNNER  
Leader of the Opposition

## RESPONSE TO THE AUSTRALIAN HOTELS ASSOCIATION (NT) QUESTIONS

ISSUE	RESPONSE
Maintain the status quo on the gaming regime	Yes Labor will maintain the current regime but will cap current arrangements. ✓
Maintain status quo on gaming taxation	Labor will maintain the current taxing regime. ✓
Responsible service of gambling education and training program	Labor will work with the AHA to ensure an industry education and training program for your industry. We will support the AHA with training and education funding of \$180 000 a year for three years. We will also wish to work with the industry to reduce its long term reliance on backpacker and 457 visa workers through greater training of locals for employment.
Retain Sunday trading restrictions	Labor will not change Sunday trading arrangements preventing standalone bottle shops and liquor stores from trading. ✓
Maintain the existing hours for on premise licensed venues	Labor will maintain existing hours. ✓
Provide certainty to licensing regime and licensees, including no risk-based licensing fee or categories be introduced	Labor will not introduce an annual liquor licensing regime, annual liquor licensing fees or risk based licensing fees or categories.
New licensing regime	Labor does not support the current Director General regime believing that this restricts decision making. We also believe all expertise of the industry has been removed. We will undertake an assessment of this system if elected and will consult broadly with the industry and community about the best regime to introduce.
License applications Density of licensed premises	If elected, Labor will cap the issuing of all takeaway liquor licenses unless it is associated with a restaurant in an accommodation service. Applications for takeaway licenses in green fields suburbs will be considered but within strict guidelines. ✓
In principle licensing applications require prior planning approval and term to complete new build.	We will introduce guidelines to this effect.
Public area of bottle shops	We will restrict the public area of a bottle shop to a maximum of 400 square metres. ✓
Shor term letting (unregulated Accommodation)	Labor will undertake a review into the unregulated accommodation market. ✓
Sewerage	Labor is prepared to undertake a review of the issues raised in this section.

Takeaway ID systems consultation	Labor will re-introduce the Banned Drinkers Register. Consultation will occur with industry on how this will be re-introduced. Labor will hand the decision making on temporary beat locations, where, when and how often, back to police.
Smoking	Labor will not be changing smoking arrangements in our first term.
Continued funding	Labor will renew existing funding programs for 3 years.
<b>ISSUES FROM 2012 BY NUMBER</b>	
Item 21: Code of Practice Off premise advertising and promotions.	Labor supports this.
Item 22: Local Government	Labor will use powers under the Local Government Act to prevent special levies or rate to licensed venues and late night venues.
Item 23: Buy back	Labor will not rule out any options in dealing with the issues arising in some places but we will not be introducing a general program of buy back.
Item 24: Reasonable defence.	The AHA position makes sense and will be supported by Labor.
Item 26: Mandatory drug testing	Labor's position remains as it was in 2012.
Item 27: Wet canteens / licensed social clubs	Labor supports the introduction of alcohol management plans in regions across the Territory. We will ensure that all voices are heard in the decision making around these plans. We will respect the wishes of local decision makers as to how to manage alcohol in their region.
Item 28: Cross-border trade	Labor is sympathetic to the issues raised by the AHA in this issue. In an effort to get real figures on alcohol consumption we do need to understand the level of purchase by liquor licensees. We will work with industry to determine the best way of obtaining this information.
Item 36: Container Deposit legislation	Labor supports container deposit legislation and the scheme.

<b>Item 37: Taxi Service</b>	Labor will continue to support the sensible growth of the taxi industry. We will continue to work with the AHA and City of Darwin Council on continuing a secure taxi rank in the Darwin CBD in addition to establishing a second one based on need. Labor will provide regulations allowing Uber to operate in the Northern Territory.
<b>Item 38: Major Event Strategy</b>	Labor will strongly support major events. We will also bring back the Arafura Games.
<b>Item 40: Support for the AHA</b>	Labor supports the AHA and believes that in our previous government and into the future we will work with the AHA as partners in the development and growth of the hospitality industry. We will engage, communicate with and support the industry and organisation.