

**Submission
No 1**

**REVIEW OF THE CONSTITUTION (DISCLOSURES BY MEMBERS)
REGULATION 1983**

Name: Name suppressed

Date Received: 25 August 2018

Partially
Confidential

25th August, 2018

Dear Mark,

Once again, thank you for inviting me to comment on the Inquiry you are Chairing to review the Constitution (Disclosures by Members) Regulation 1983.

Basically, once modernised in the three areas specified, I believe the pecuniary interests disclosure provisions by Members are adequate to continue to serve the interests of an open democracy.

I propose my Submission addresses the three areas specified and, if permitted, raise a fourth matter for consideration.

(1) **the potential for continuous disclosure of pecuniary interests;**

The avenue for discretionary additional disclosures is presently available for Members. More often the avenue is used to make corrections or provide information erroneously omitted at the time of filing the original Return. I do believe continuous disclosure for changes or additions to a Members' Return an important avenue of increasing the accountability and open disclosure imperatives that the system is supposed to provide. The rule should be simple. Any matter that changes the current Return of a Member should be the subject of an Updated Disclosure Return, or similarly named, and be required for lodgement within one month of the event causing the update. The most usual event would be the acquisition or disposal of real property and should not pose difficulty, however, to pick a less obvious example, a Member may be engaged in continuous stock exchange trading. If the member undertook a trade each day, one month later there would begin a daily lodgement of an Updated Disclosure Returns. That would be ridiculous so, to cover such aspects, I would recommend one Update at the end of each month after a period frequent transactions, summarising the movements involved.

(2) the monetary thresholds for the disclosure of income, debts or gifts (\$500) and contributions to travel (\$250), which are currently not indexed to inflation and have not been increased since 1983; and

The thresholds are of course well out of date after 35 years and need to be updated and be applicable from the commencement of the 57th Parliament and then automatically adjusted for inflation as at the commencement of each subsequent four-year term of Parliament.

I would suggest thresholds for debts or gifts be increased to **\$1,000** and contributions to travel be increased to **\$500** as at the commencement of the 57th Parliament.

The automatic adjustment as at the start of each Parliament should be inflation and be rounded as much as possible. For example I would imagine inflation over the 17th Parliament would gross up to around 10% and therefore the thresholds would be increased to \$1,100 and \$550 respectively.

The decision of exactly what rounding is adopted could be left to the Speaker or possibly the Joint Presiding Officers to determine.

(3) the extent to which interests of related persons should be disclosed

Yes, personally I think it is obvious that pecuniary interests disclosures should include those of close relatives (viz spouse/partner and children). What might be a little obscure is where a family's accountant or solicitor holds shares in trust or acts as trustee in family or discretionary trusts where ultimately the beneficial ownership descends to the Member and his/her close family. Always better to disclose the existence of a Trust than not.

(4) additional matters

- There are two areas where the interests of an open democracy would be better served by a disclosure of potential conflicts of interest. Those being (a) the members of the Parliamentary Press Gallery and (b) registered lobbyists. I appreciate the scope of the Inquiry is confined to disclosures by Members, however the general issue of disclosure of relevant parties in a democracy is worthy of consideration and recommendation, perhaps either of an expansion of the Committee's Terms of Reference or a future fresh Reference.

pp Firstly, regarding members of the Parliamentary Press Gallery. The public is entitled to know of the pecuniary interests of journalists writing commentary on Parliamentary business where their property, shareholdings and/or business interests are potential considerations in the composition of their copy. A suburban planning matter or a public transport route do certainly bear relevance if a journalist is writing about such matters in the vicinity of their property or residence or where their property values would be affected by the progress of certain planning and/or transport routing decisions. As well, in the same way as Members are required to disclose memberships, it would be equally desirable for journalists to disclose their past and present memberships of associations and organisations such as lobby groups, political parties and the like.

Secondly, regarding registered lobbyists. The list of clients of registered lobbyists is publicly obtainable and would not impose additional burden to maintain a Parliamentary Register listing, in addition to clients, the property, shareholding and business interests of registered lobbyists as well as their past and present memberships of associations and organisations such as lobby groups, political parties and the like.

Yours sincerely,

Former NSW MP