

SUBMISSION TO THE HON. JUSTINE DAVIS MLA

Independent Member for Johnston
Northern Territory Legislative Assembly

RE: Integrity and Ethics Commissioner Bill 2025

Proposed Merger of NT Integrity Bodies

Submitted by: Fairer Future

Authorised by:

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ABOUT FAIRER FUTURE

Fairer Future (formerly Foundation for Effective Markets and Governance) works to expose marketplace failures and advocate for better regulation, integrity and accountability in governance, and empowered consumers able to act in their own interests. Our activities span consumer protection, competition policy, regulatory reform, and democratic governance.

Fairer Future is collaborating with The Australia Institute on the Deepening Democracy Project, an initiative to improve the operation of Australia's integrity institutions. This work addresses Australia's critical integrity deficit that threatens public trust in our democracy. Over the past decade, integrity institutions—ombudsmen, auditors, information commissioners, and anti-corruption watchdogs—have been systematically weakened through chronic underfunding, political interference, and restricted powers.

The Deepening Democracy Project advocates for comprehensive reform based on five core principles: designating all integrity agencies as independent officers of Parliament; guaranteeing sustained and predictable funding through parliamentary oversight; improving coordination among integrity institutions; ensuring meaningful public consultation; and establishing coherent legislative frameworks that advance these reforms systematically. A recent Canberra roundtable brought together integrity experts, parliamentarians, academics, and civil society representatives to develop practical pathways for strengthening Australia's integrity architecture.

Fairer Future and its antecedent bodies (including Foundation for Effective Markets and Governance and ACCESS2) have more than 20 years' experience in consulting and research projects spanning a dozen countries, particularly in ASEAN and Pacific Island nations, focusing on consumer protection, competition policy, corruption prevention, and institutional strengthening.

About the Submitters

Allan Asher served as Commonwealth Ombudsman and as Deputy Chair of the Australian Competition and Consumer Commission. He was a Visiting Fellow at the Australian National

University's RegNet (Regulatory Institutions Network) and has been a long-time senior consultant to the United Nations Conference on Trade and Development (UNCTAD) on consumer protection and competition policy. His five decades of professional experience spans integrity institutions, regulatory governance, consumer protection, and competition law.

Robin Brown is a civil society activist widely experienced in consulting and corruption prevention in the Pacific Islands. He brings extensive expertise in institutional development, governance reform, and civil society engagement to strengthen democratic institutions.

Fairer Future stands ready to offer any further advice which may be called for as the Northern Territory Parliament considers this important reform.

EXECUTIVE SUMMARY

This submission supports the call by Justine Davis MLA for proper scrutiny of the Integrity and Ethics Commissioner Bill 2025 and expresses serious concerns about the proposed merger of the Northern Territory's integrity bodies without adequate public consultation or parliamentary oversight.

The Northern Territory Government has accepted recommendations to consolidate the Independent Commissioner Against Corruption (ICAC), the Ombudsman, the Information Commissioner, and the Health and Community Services Complaints Commission into a single Integrity and Ethics Commission. Whilst we acknowledge the resource challenges facing these bodies, the proposed merger raises fundamental concerns about independence, conflicts of interest, and concentration of power that require thorough examination before implementation.

This submission provides detailed analysis of the strengths and weaknesses of the merger proposal, draws on international best practices and academic research, and outlines essential safeguards that must be incorporated in any merged integrity body to ensure it strengthens, rather than weakens, the Northern Territory's integrity system.

1. BACKGROUND AND CONTEXT

1.1 The Current Situation

The McClintock-Hiley review, commissioned in July 2025 and completed in August 2025, identified "structural, operational, and resourcing challenges" across the Northern Territory's integrity agencies, "many of which have been compounded by leadership instability, recruitment difficulties, legislative constraints, and overlapping functions." The review found that three of the four public integrity bodies are presently being run by acting office holders, with numerous vacant positions and difficulties recruiting qualified staff.

The review was initiated two months after Michael Riches resigned as ICAC commissioner amid an investigation into workplace misconduct, leaving ICAC with acting arrangements for more than a year. The McClintock-Hiley review found the reputational damage the commission suffered during this period has only made it more difficult to recruit, with nine positions currently unfilled at ICAC alone.

1.2 The Proposed Model

The new body would be led by an integrity and ethics commissioner, supported by a chief executive officer and assistant commissioners responsible for each integrity function. The

auditor-general will continue to be independent of the Integrity and Ethics Commission but will be supported by a shared CEO and staff.

According to Chief Minister Finocchiaro's statements to Parliament, the legislation "retains all existing powers of the Independent Commissioner Against Corruption, the NT Ombudsman, the Information Commissioner, and the Health and Community Services Complaints Commissioner."

1.3 Process Concerns

As Justine Davis rightly noted in Parliament, it is "astounding" that the government did not refer this bill to the scrutiny committee for oversight before introducing it. The review itself involved no public consultation. The government intends to pass the bill next month, allowing minimal time for public input or parliamentary examination of what Justine Davis correctly described as "an extraordinary concentration of power that deserves the most thorough examination possible, not a rushed debate and refusal of proper scrutiny."

2. ARGUMENTS SUPPORTING THE MERGER

We acknowledge there are legitimate arguments in favour of consolidation:

2.1 Addressing Resource Constraints

The McClintock-Hiley review concluded that consolidation would drive benefits from "centralisation of all the corporate and employment functions under one CEO," potentially increasing operational efficiencies and better targeting finite resources. Unification would provide an ability "to transfer resources across what are now separate agencies, when necessary," allowing for shared investigation resources and more flexible deployment of staff.

For a small jurisdiction like the Northern Territory, operating multiple independent statutory offices creates significant overhead costs and can lead to duplication of corporate functions such as human resources, finance, IT, and facilities management.

2.2 Resolving Leadership and Recruitment Challenges

The review documented pervasive staffing pressures across the agencies, with numerous vacant positions and difficulties recruiting qualified staff. The review suggested making the new commissioner position potentially part-time to attract candidates who might not want a full-time role or who might not want to relocate to the Northern Territory. This pragmatic approach acknowledges the documented difficulty in recruiting qualified personnel to Darwin.

2.3 Reducing Operational Inefficiencies

The review concluded that "doing nothing is not an option" and would lead to "suboptimal results." It found that the ability of agencies to fully discharge their statutory mandates has been affected, organisational resilience has been diminished, and public confidence has been undermined. The status quo is clearly untenable.

2.4 International Precedent

South Korea's Anti-Corruption and Civil Rights Commission (ACRC) provides an international precedent. It was launched in 2008 by merging three related government entities: the Ombudsman of Korea, the Korea Independent Commission Against Corruption, and the Administrative Appeals Commission. The consolidation was intended to provide citizens with speedier and more convenient service for filing public complaints and administrative appeals, and for fighting corruption.

2.5 Preserving Core Functions

The government asserts that the legislation retains all existing powers of the constituent bodies, suggesting that consolidation is purely structural and administrative rather than substantive. If true, this would preserve the legal framework whilst improving operational efficiency.

3. ARGUMENTS AGAINST THE MERGER

Despite these potential benefits, we have serious concerns about the proposed merger:

3.1 Conflicts of Interest Concerns

As Justine Davis noted, integrity experts have flagged concerns that one commissioner will hold the office and powers of multiple roles with conflicts of interest expected to arise. For example:

- A person may lodge a complaint with the Ombudsman about an agency's handling of their FOI request, which the Information Commissioner is also examining
- A health service may be subject to both administrative review (Ombudsman) and corruption investigation (ICAC functions)
- The same agency may be under investigation for corruption whilst also being the subject of systemic administrative complaints

The Chief Minister acknowledged that conflicts "will undoubtedly arise" but stated they will be managed by a "built-in mechanism" with responsibility on the commissioner to identify conflicts and report them to the inspector. This places an unrealistic burden on one individual and creates obvious accountability gaps. Self-identification of conflicts is insufficient – there must be structural separation.

3.2 Lack of Public Scrutiny and Consultation

The McClintock-Hiley review involved no public consultation despite fundamentally reshaping the Territory's entire integrity architecture. The government has refused to refer the bill to the legislative scrutiny committee, denying the Parliament's own oversight mechanisms. As Justine Davis stated: "It's hard to imagine anything more ironic or more hypocritical than a government refusing scrutiny on its own integrity bill."

This lack of transparency undermines public confidence from the outset and raises questions about the government's true motivations.

3.3 Risk of Diluting Specialised Functions

Different integrity bodies serve distinct purposes with different skill sets, methodologies, and institutional cultures:

- Anti-corruption bodies focus on detecting, investigating, and exposing serious corruption through coercive investigative powers
- Ombudsmen handle broader administrative complaints, systemic issues, and agency improvement through persuasion and recommendations
- Information Commissioners protect FOI and privacy rights through specialised legal expertise
- Health Complaints Commissioners address specialised health service issues requiring medical knowledge

Merging these functions risks:

- Loss of specialised expertise as generalist staff replace specialists
- Cultural conflicts between investigative and conciliation approaches

- Confusion among the public about the body's role and functions
- Reduced focus on prevention and systemic improvement in favour of reactive investigation

3.4 Independence Concerns

Research on anti-corruption agencies globally shows that when governments lack public support, they need to delegate more independence and power to anti-corruption agencies to maintain public confidence in governance integrity. The McClintock-Hiley review itself acknowledged that "in some cases, public confidence has been undermined" in the Northern Territory's integrity bodies.

Creating a single body may actually make it easier for government to exert pressure or influence. A diversified integrity architecture with multiple independent bodies provides checks and balances. Consolidation concentrates power in one office that can more easily be controlled through:

- Budgetary pressure
- Appointment of a compliant commissioner
- Political pressure on a single point of contact
- Changes to enabling legislation affecting multiple functions simultaneously

3.5 Potential for Mission Drift and Prioritisation Problems

Bodies that have regular public hearings, such as NSW ICAC, are much more effective in investigating and exposing systemic corruption compared to those that do not. Consolidation may risk prioritising:

- Easier, lower-risk administrative complaints over complex corruption investigations
- Quick wins over systemic reform
- Conciliation over confrontation
- Government satisfaction over public interest

With limited resources and multiple mandates, the commissioner will face impossible choices about prioritisation. There is a real risk that serious corruption matters will be neglected in favour of handling the higher volume of routine complaints.

3.6 Rushed Implementation Timeline

Legislation was introduced in October 2025 with the government intending to pass it in November 2025, with implementation commencing from late 2025. This extremely compressed timeline does not allow for:

- Adequate public consultation
- Expert input on implementation challenges
- Parliamentary scrutiny and debate
- Development of detailed operational protocols
- Proper transition planning to protect ongoing investigations

3.7 Concentration of Power

Justine Davis correctly identified that the bill "appears to consolidate four separate statutory offices...into a single person. That's an extraordinary concentration of power." This concentration creates risks:

- Excessive workload leading to burnout or superficial handling of matters
- Single point of failure if the commissioner is ineffective or compromised
- Reduced accountability as there is no peer review or comparison between bodies
- Increased vulnerability to political pressure

- Greater consequences if the wrong person is appointed

3.8 Unresolved Integrity Context

As documented in media reports, the Finocchiaro Government itself faces multiple unresolved integrity issues, including:

- Breaches of the Disclosures of Interests Act by the Chief Minister
- Allegations of conflicts of interest at the Darwin Waterfront Corporation
- Misuse of taxpayer-funded car services
- Concerns about "hiring of mates for independent statutory roles"
- Regulatory failures in the gambling sector

Restructuring integrity bodies whilst the government faces these accusations creates an obvious conflict of interest and appearance of impropriety. The timing raises questions about whether the true motivation is improving integrity oversight or weakening it.

4. ESSENTIAL INGREDIENTS FOR A MERGED INTEGRITY BODY

If consolidation proceeds despite these concerns, the following safeguards are essential:

4.1 Clear Independence and Mandate

Drawing on the Jakarta Principles for Anti-Corruption Agencies and the 12 Fundamental Principles for Australian Anti-Corruption Commissions, the merged body must have:

- The ability to receive and consider referrals from anyone
- The ability to commence investigations on their own motion
- A mandatory reporting obligation for heads of public sector agencies to report suspected corruption
- Clear mandates to tackle corruption through prevention, education, awareness raising, investigation and prosecution
- Freedom from direction or control by any other person or authority in the exercise of its powers

4.2 Adequate and Secure Resources

The effectiveness of many anti-corruption agencies globally is inhibited by limited resources, insufficient mandate to fight corruption, and political interference. The merged body requires:

- Legislated minimum funding levels indexed to appropriate metrics (e.g., percentage of NT budget, per capita funding)
- Multi-year funding certainty to enable strategic planning
- Adequate specialist staff in each functional area
- Secure funding that cannot be reduced without parliamentary approval
- Access to specialised external expertise when required

Research shows that public trust and support is crucial. The Indonesian Corruption Eradication Commission (KPK) enjoys a much higher degree of public trust than other Indonesian law enforcement agencies, which has empowered its independence. The NT body must invest in building public confidence through transparency and effectiveness.

One of the submitters (Allan Asher) was appointed by the Economic Planning Agency of Indonesia to undertake a thorough review of policy settings and practices in relation to aspects of dispute resolution. Government, consumer and competition law and policy.

4.3 Structural Safeguards to Manage Conflicts

The merged body must include:

a) Separate Leadership Roles:

- An Integrity and Ethics Commissioner with deep expertise in corruption investigation
- A Chief Executive Officer handling corporate functions, freeing the Commissioner for oversight
- This separation is essential and should be legislatively mandated

b) Functional Deputy Commissioners:

- Deputy Commissioner for Corruption Investigations (ICAC functions)
- Deputy Commissioner for Administrative Review (Ombudsman functions)
- Deputy Commissioner for Information and Privacy (Information Commissioner functions)
- Deputy Commissioner for Health Complaints (HCSCC functions)
- Each with clearly defined authority and responsibility

c) Ring-Fenced Teams:

- Dedicated staff for each functional area to preserve specialised expertise
- Prohibition on reassigning corruption investigators to handle FOI complaints
- Separate reporting lines within each functional area
- Protected budgets for each function

d) Robust Conflict Management Protocols:

- Written procedures for identifying and managing conflicts between functions
- Provision for external appointment of special investigators when conflicts arise
- Mandatory referral to the Inspector when conflicts cannot be internally resolved
- Public reporting on conflicts and how they were managed
- Prohibition on the Commissioner personally handling matters involving conflicts

e) Functional Independence:

- Each Deputy Commissioner should have delegated authority to make decisions in their area
- The Commissioner should have oversight but not micromanage
- Decisions in one functional area should not be subject to override by another function

4.4 Enhanced Oversight and Accountability

Given the concentration of power, oversight must be strengthened:

a) Inspector of the Integrity and Ethics Commission:

- Enhanced powers and resources for the Inspector
- Clear authority to review conflicts of interest management
- Ability to conduct performance audits of each functional area
- Annual reporting to Parliament on the Commission's effectiveness
- Protection from removal except by parliamentary vote

b) Parliamentary Oversight:

- Establishment of a Parliamentary Committee on Integrity (or assignment to existing committee)
- Regular appearances by the Commissioner and Deputies before the committee
- Detailed annual reporting requirements
- Parliamentary approval required for major changes to structure or budget

c) Whistleblower and Witness Protections:

- Persons who refer information or give evidence should be immune from criminal, civil, administrative or disciplinary liability
- Strong protections against retaliation
- Confidential reporting mechanisms
- Public education about protections available

d) External Review:

- Mandatory independent evaluation after 2 years of operation
- Review by a panel including interstate integrity commissioners
- Public reporting of review findings
- Parliamentary consideration of recommendations

4.5 Public Transparency and Accountability

Evidence shows that the ability to hold public hearings has been critical to the success of state anti-corruption commissions, with 80 per cent of Australians supporting integrity commissions with public hearing powers. The merged body must maintain:

- Power to hold public hearings when in the public interest
- Regular public reporting on activities in each functional area
- Publication of decisions and recommendations (subject to necessary confidentiality)
- Clear, accessible complaints processes
- Public education programmes about integrity and the Commission's role
- Annual reports with separate sections on each functional area showing workload, outcomes, and challenges

As The Australia Institute emphasises, direct experience has shown that critical information arises through members of the public coming forward at public hearings, and public hearings build public trust in investigations.

4.6 Preservation of Specialised Expertise

Different models exist internationally, including the universal model (Hong Kong ICAC), investigative model (Singapore CPIB), parliamentary model (NSW ICAC), and multi-agency model. The NT merged body must retain diverse expertise:

- Corruption investigation specialists with law enforcement backgrounds
- Administrative law and natural justice experts
- FOI and privacy specialists with legal qualifications
- Health complaint resolution experts with medical/health sector knowledge
- Prevention and education capability
- Legal expertise in multiple areas
- Investigative and forensic skills

Recruitment and retention strategies must ensure specialist positions are filled and maintained. Professional development and training should preserve and enhance specialist knowledge.

4.7 Collaboration Mechanisms

The Jakarta Principles emphasise that anti-corruption agencies shall not operate in isolation but shall foster good working relations with state agencies, civil society, the private sector, and other stakeholders, including international cooperation.

The merged body should establish:

- Formal liaison arrangements with NT Police, Director of Public Prosecutions, and other law enforcement
- Regular engagement with civil society and transparency advocates
- Information sharing protocols with interstate integrity bodies
- Participation in national and international anti-corruption networks
- Community advisory mechanisms
- Sector-specific reference groups (e.g., health sector, local government)

5. LESSONS FROM THE AUSTRALIA INSTITUTE RESEARCH

The Australia Institute has conducted extensive research on integrity commissions and has been advocating for strong anti-corruption bodies since 2017. Their research findings are directly relevant to the NT proposal:

5.1 Independence is Paramount

The Australia Institute emphasises that a federal integrity commission needs to be completely independent of those who might come under investigation. They note that Queensland, South Australia, and New South Wales state governments have all intervened in the operation and resourcing of their state anti-corruption commissions, demonstrating the constant political pressure these bodies face.

The NT proposal must include ironclad protections against political interference, including:

- Selection of the Commissioner through a transparent, merit-based, bipartisan process
- Fixed term with removal only for serious misconduct proven before an independent tribunal
- Funding guarantees that require parliamentary approval to reduce
- Prohibition on government direction or influence

5.2 Public Hearings Matter

The Australia Institute's research shows that bodies with regular public hearings, such as NSW ICAC, are much more effective in investigating and exposing systemic corruption compared to those that do not hold regular public hearings, such as South Australia, Queensland, and Victoria.

Direct experience has shown that critical information arises through members of the public coming forward at public hearings. Public hearings also build public trust in the investigations. The NT merged body must retain robust public hearing powers for all its corruption investigation functions.

5.3 Adequate Resourcing is Essential

Research found that Tasmania's anti-corruption body is one of the weakest in Australia, being one of the lowest funded, with limited jurisdiction. This demonstrates the risks of under-resourcing integrity bodies – they become ineffective and lose public confidence.

The NT government claims the merger is "not a cost-saving measure" but rather about "improving the resourcing available." This must be demonstrated through:

- Increased total budget allocation compared to the sum of current bodies
- Commitment to filling all vacant positions
- Investment in training and professional development
- Adequate funding for public hearings and investigations
- Resources for prevention and education programmes

If the merger simply centralises existing under-resourcing, it will fail to address the fundamental problems and may make them worse.

5.4 Design Matters

The Australia Institute's National Integrity Committee developed detailed principles for effective integrity commissions. Key design elements include:

- Broad jurisdiction covering all public officials
- Comprehensive powers including search, seizure, and compulsory examination
- Ability to make findings of corrupt conduct
- Referral powers to prosecuting authorities
- Capacity to conduct systemic reviews and make recommendations
- Protection for whistleblowers and witnesses
- Regular public reporting

The NT legislation must be assessed against these design principles to ensure it creates a genuinely effective body, not just a bureaucratic restructure.

6. KEY RISKS REQUIRING ONGOING MONITORING

If the merger proceeds, the following risks must be actively monitored and mitigated:

6.1 Commissioner Overload

One person holding four statutory roles will face impossible demands. The legislation must clearly delegate decision-making authority to deputies and establish realistic workload expectations.

6.2 Cultural Integration Challenges

Different organisational cultures (investigative vs. administrative vs. conciliatory) may clash, leading to dysfunction, staff departures, and loss of effectiveness. Change management expertise will be essential.

6.3 Public Confidence Deficit

Public confidence has already been undermined in some NT integrity bodies. The merger must actively rebuild trust through transparency, effectiveness, and responsiveness. Regular public opinion monitoring should occur.

6.4 Accountability Gaps

Without clear delineation of functions and responsibilities, accountability may be diluted. Strong reporting requirements and oversight mechanisms are essential.

6.5 Political Vulnerability

A single body may be easier to pressure or defund than multiple independent entities. The first few years will be critical – if the Commission takes on powerful interests, will the government support it or undermine it?

6.6 Transitional Disruption

Ongoing investigations and complaints must not fall through the cracks during transition. A detailed transition plan with external oversight is required.

6.7 Recruitment and Retention

If the merger does not solve the underlying recruitment challenges (small jurisdiction, remote location, modest salaries, difficult work), it will fail. The government must commit to competitive remuneration and support for staff.

7. ANALYSIS OF PROCESS DEFICIENCIES AND THE IMPERATIVE OF OPENNESS

We strongly support the criticism by Justine Davis of the process followed in introducing this legislation. The deficiencies include:

7.1 No Public Consultation on the Review

The McClintock-Hiley review, despite its fundamental importance, involved no public consultation. Integrity advocates, civil society organisations, legal experts, and members of the public had no opportunity to provide input.

7.2 No Exposure Draft

The government did not release an exposure draft of the legislation for public comment before introduction. This is standard practice for significant legislative reform and its absence suggests the government wishes to avoid scrutiny.

7.3 Refusal to Refer to Scrutiny Committee

As Justine Davis noted, the government's refusal to refer the bill to the legislative scrutiny committee is "astounding" and "ironic." The scrutiny committee exists precisely to examine legislation for unintended consequences, rights implications, and technical deficiencies.

7.4 Compressed Timeline

Introducing legislation in October with the intention to pass it in November allows minimal time for:

- Detailed analysis by legal and integrity experts
- Public submissions and consideration
- Parliamentary debate and amendment
- Proper due diligence

7.5 Lack of Implementation Detail

The government has not released detailed implementation plans, including:

- How will ongoing matters be transitioned?
- What will the organisational structure look like?
- How will conflicts be managed in practice?
- What will the budget be?
- How will staff be reassigned?
- What happens to current appointments?

This lack of detail makes proper assessment impossible.

7.6 Context of Government Integrity Issues

The timing is particularly problematic given the government's own integrity challenges. There is an obvious conflict of interest in restructuring oversight bodies whilst facing allegations of misconduct. An independent process would have been more appropriate.

7.7 Why Open Public Processes Protect Governments From Scandal

The government's approach of avoiding scrutiny is not merely undemocratic—it is politically dangerous for the government itself. History demonstrates repeatedly that attempts to hide elements of integrity reform or rush through legislation without proper consultation invariably backfire, generating far worse publicity and political damage than transparent processes would have caused.

Recent Australian examples are instructive:

The Commonwealth FOI Law Debacle

During 2025 the federal government attempted to quietly amend freedom of information laws to increase charges and restrict access. The lack of consultation and rushed process generated massive public backlash, media condemnation, and accusations of cover-up. The changes are currently before the parliament, and may be abandoned if the Senate refuses assent, but not before significant reputational damage. Had the government consulted openly, engaged with civil society, and followed proper process, it could have achieved workable reforms with public support. Instead, the secrecy generated suspicion about motivations and created a political firestorm that engulfed the government.

The NACC Legislation Errors

More recently, errors in the National Anti-Corruption Commission legislation—including unintended loopholes and drafting mistakes—only came to light after passage because consultation was inadequate and the timeline compressed. The government faced embarrassing revelations that basic safeguards were missing and technical errors had crept in. These problems generated adverse publicity, undermined confidence in the new body, and forced subsequent amendments that the government claimed were always intended. Proper scrutiny would have identified these issues before passage, sparing the government weeks of damaging headlines.

The lesson is clear: rushed integrity legislation that avoids scrutiny doesn't protect governments from political damage—it guarantees it.

Open processes protect governments in several ways:

1. **Identifies problems before they become scandals.** Public consultation and expert scrutiny reveal drafting errors, unintended consequences, and operational problems whilst they can still be fixed. Discovering these issues after passage generates "government incompetence" headlines and forces embarrassing backdowns.
2. **Builds public buy-in and legitimacy.** When stakeholders have been consulted, concerns addressed, and changes made in response to feedback, the final legislation enjoys broader support. People are more forgiving of imperfections in a law they helped shape than of problems in a law imposed without consultation.
3. **Demonstrates good faith.** Openness signals the government has nothing to hide and genuinely wants effective integrity institutions. Secrecy signals the opposite—that the government fears scrutiny and may have ulterior motives. This perception, once established, is nearly impossible to shake.
4. **Prevents "gotcha" moments.** When legislation is released at the last minute without scrutiny, opponents and media have enormous incentive to find problems and generate negative stories. Public consultation removes this dynamic—issues are raised, debated, and resolved before legislation is introduced, denying opponents easy targets.
5. **Creates champions for the reform.** Stakeholders who participated in developing legislation become advocates for its success. Without consultation, potential allies

become critics, and civil society organisations that could have supported the reform instead oppose it.

6. **Provides political cover when controversies arise.** When problems emerge with legislation developed through proper process, the government can point to the consultation, expert input, and parliamentary scrutiny that went into the law. When problems emerge with rushed, unscrutinised legislation, the government has no defence—it can only admit it should have consulted properly in the first place.

In the case of this NT integrity bill, the risks of closed processes are particularly acute. Any future problems—conflicts of interest that weren't foreseen, cultural clashes between merged agencies, loss of specialised expertise, political interference with a concentrated power structure—will be blamed directly on the government's refusal to consult. Critics will reasonably argue that these problems could have been identified and addressed if proper scrutiny had occurred.

Conversely, slowing down the process now to enable genuine consultation, scrutiny committee review, and stakeholder input would generate positive headlines about the government "listening to concerns" and "strengthening integrity reform." Any subsequent problems would be shared responsibility—"we all worked on this together"—rather than solely the government's failure.

The government's current approach—rushing the bill through without scrutiny—maximises political risk whilst minimising the chance of getting the reform right. It's the worst of both worlds: bad policy process that generates bad publicity and increases the likelihood of future scandals.

The smart political move, which also happens to be the right democratic move, is to slow down, open up the process, engage critics and stakeholders, allow scrutiny committee review, make improvements based on feedback, and demonstrate that the government wants to get integrity reform right rather than simply get it done quickly.

8. RECOMMENDATIONS

We make the following recommendations to the Northern Territory Parliament:

8.1 Immediate Recommendations

7. The Parliament should refer the bill to the legislative scrutiny committee for comprehensive review. If the government refuses, the committee should consider examining it using its power to self-refer, or independent members should move to establish an ad hoc inquiry.
8. The Parliament should call for public submissions and ensure these are formally tabled and considered before any vote on the legislation.
9. The Parliament should instruct Parliamentary Counsel to draft amendments to the bill giving effect to the essential safeguards outlined in Section 4 of this submission, specifically:

a) Structural Amendments:

- Insert provisions establishing four Deputy Commissioner positions (Corruption Investigations, Administrative Review, Information and Privacy, Health Complaints) with clearly defined statutory authority and functional independence
- Add provisions requiring separate specialist teams for each functional area with prohibition on cross-assignment without consent of relevant Deputy Commissioner
- Include provisions establishing ring-fenced budgets for each functional area subject only to Commissioner oversight, not reallocation

b) Conflict Management Amendments:

- Insert detailed conflict of interest protocols requiring written procedures for identifying conflicts between functions
- Add provisions for appointment of special investigators when conflicts cannot be managed internally
- Require mandatory referral to Inspector when conflicts cannot be internally resolved
- Mandate public reporting on conflicts and their management in annual reports

c) Independence and Oversight Amendments:

- Strengthen Inspector powers with clear authority to review conflict management and conduct performance audits
- Establish Parliamentary Committee oversight with requirement for Commissioner and Deputies to appear regularly
- Insert funding protections requiring parliamentary approval for budget reductions
- Include provisions for transparent, merit-based Commissioner selection process with parliamentary involvement

d) Review and Accountability Amendments:

- Insert sunset clause requiring parliamentary reauthorisation after 5 years based on independent evaluation
 - Mandate independent evaluation after 2 years by panel including interstate integrity commissioners
 - Require detailed annual reporting with separate sections for each functional area
10. The Parliament should demand release of detailed implementation plans before the bill is passed, including transition arrangements, organisational structure, budget allocation, staffing plans, and conflict management procedures.

8.2 Establishing Parliamentary Oversight Mechanisms

Given the significance of this reform and the concentration of power it represents, robust parliamentary oversight is essential both during passage of the legislation and throughout implementation. We recommend the Parliament establish formal oversight mechanisms immediately.

Case for Formal Cross-Party Working Group

The Parliament should establish a formal Cross-Party Working Group on Integrity Reform with the following features:

- **Membership:** Representatives from all parties and independent members, ensuring no single party has a majority. This ensures decisions reflect genuine parliamentary consensus rather than government control.
- **Mandate:** Authority to review the bill in detail, call witnesses, commission expert advice, consider public submissions, and recommend amendments to the Parliament.
- **Resources:** Adequate secretariat support and budget to commission expert reviews, legal analysis, and interstate comparisons.
- **Timeline:** Sufficient time to conduct proper review (minimum 8-12 weeks) before the bill returns to Parliament.
- **Ongoing role:** Continue monitoring implementation for the first two years, receiving regular briefings from the Commissioner, Deputies, and Inspector, and reporting to Parliament on progress and problems.

A formal working group provides several advantages: it has official status and resources; it can compel witnesses and documentation; its recommendations carry weight; and it creates an ongoing mechanism for parliamentary oversight that outlasts individual members' involvement.

Alternative: Informal Cross-Party Grouping

If the government refuses to support establishment of a formal working group, we recommend that independent members and opposition parties establish an informal cross-party grouping to fulfil a similar function. Whilst lacking official status, an informal grouping can still:

- Coordinate scrutiny of the bill across parties
- Pool resources to commission expert analysis
- Develop unified amendment proposals that reflect broader parliamentary consensus
- Hold public forums to gather stakeholder input
- Maintain ongoing monitoring through voluntary information sharing with the new Commission
- Generate public pressure for proper process through joint media statements and public engagement

An informal grouping lacks compulsory powers but can still significantly enhance scrutiny and demonstrate cross-party concern about the reform process. It also creates political pressure for the government to engage constructively ignoring a unified cross-party voice is much harder than dismissing individual critics.

Recommended Approach

We recommend the Parliament pursue establishment of a formal Cross-Party Working Group as the preferred option. Independent members should move a motion establishing such a group, with broad terms of reference and adequate resources. If this motion is defeated by the government, independent members and opposition parties should immediately establish an informal grouping to fulfil a similar function as best they can without official status.

Either approach—formal or informal—is vastly preferable to allowing this significant reform to proceed without sustained cross-party scrutiny. The risks outlined in this submission are too great to accept passive parliamentary oversight.

8.3 Medium-Term Recommendations

11. The Parliament should ensure the Commissioner selection process involves public advertisement, independent selection panel including interstate integrity experts, public hearings with shortlisted candidates, and parliamentary approval or veto power.
12. The Parliament should ensure adequate budget allocation in the next budget cycle, with funding at least equal to the sum of current bodies plus growth for additional coordination costs.
13. The Parliament should press for appointment of a transition coordinator external to government to oversee the merger and protect ongoing matters.

8.4 Long-Term Recommendations

14. The Parliament should commission an independent evaluation after 2 years comparing: number and types of matters handled pre- and post-merger; outcomes achieved; public satisfaction; staff morale and retention; budget efficiency; and conflicts of interest encountered and how managed.
15. The Parliament should retain the option to unwind the merger if it proves unsuccessful. The legislation should include a sunset clause requiring parliamentary reauthorisation after 5 years based on the independent evaluation.
16. The Parliament should establish a permanent Parliamentary Committee on Integrity if one does not exist, with regular oversight hearings for all integrity bodies.

9. CONCLUSION

The Northern Territory faces genuine challenges in operating multiple small integrity bodies in a small jurisdiction with acknowledged resource constraints and recruitment difficulties. The status quo is not sustainable. However, the proposed solution of consolidating four distinct statutory offices into a single commissioner raises serious concerns about independence, conflicts of interest, loss of specialisation, and concentration of power.

The fundamental question is whether the merger addresses the root causes of current problems—inadequate funding, political will, and recruitment challenges—or simply creates a larger, equally under-resourced institution with additional complexity and new problems.

The international evidence is clear: successful integrity bodies require adequate resources, genuine independence, public trust, specialised expertise, and strong oversight—regardless of structural form. The Northern Territory Government must demonstrate that the merger strengthens, rather than weakens, these essential elements.

Most troubling is the government's refusal to allow proper scrutiny of this fundamental reform. As Justine Davis rightly stated, "it's hard to imagine anything more ironic or more hypocritical than a government refusing scrutiny on its own integrity bill." This lack of transparency undermines public confidence from the outset and raises serious questions about the government's true motivations.

We commend Justine Davis for calling out the lack of scrutiny and demanding proper process, recognising the extraordinary concentration of power this represents, establishing a community forum for public submissions, and attempting to refer the bill to the scrutiny committee. Independent members' voices are crucial in holding the government accountable and ensuring that integrity reforms actually strengthen, rather than weaken, the Territory's capacity to combat corruption and misconduct.

Fairer Future stands ready to support parliamentary efforts through further research, analysis, and public advocacy. We urge the Parliament to press for proper scrutiny, meaningful amendments, and genuine safeguards to protect the independence and effectiveness of the Territory's integrity architecture.

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END OF SUBMISSION