

# COMMUNITY SCRUTINY FORUM REPORT

## Integrity and Ethics Commissioner Bill 2025 (Serial 46)

Tuesday 25 November 2025

*This report was produced with the significant assistance of Elizabeth Creed, Ellis Silove, and many others who are committed to good democratic process in the NT. We are deeply grateful to all those individuals and organisations who contributed to the Committee, both public and confidential.*

**Community Scrutiny Forum**

*Justine Davis, Independent Member for Johnston*

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Doing Politics Differently

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# 1. Executive Summary

If passed, the Integrity and Ethics Commissioner Bill 2025 (NT) (**The Bill**) would introduce an extraordinary concentration of power into the Northern Territory's integrity system. Such a bill requires the most thorough examination possible.

Chief Minister, The Hon Lia Finocchiaro refused to refer the Bill to the parliamentary committee established for the purpose of scrutinising legislation. Justine Davis (Member for Johnston) therefore established a process that invited the community to scrutinise the Bill (**the Community Scrutiny Forum**).

Territory residents, diverse Territory-based stakeholders and several major national integrity organisations made submissions to the Community Scrutiny Forum about the Bill, providing high-level advice which would generally be sought through a Legislative Scrutiny Committee inquiry process. This included Transparency International Australia, part of a global anti-corruption coalition with presence in over 100 countries, the Centre for Public Integrity, the Australian Democracy Network, and a former Commonwealth Ombudsman. This report also draws on commentary from the NT Anti-Discrimination Commissioner and the Australasian Council of Auditors General submission to the Public Accounts Committee.

The Report has been prepared to inform debate about the proposed Bill and as such has been provided to all MLAs prior to the November sitting of Parliament when the Bill is on the notice paper.

The Report:

- summarises views from the 10 formal submissions and 4 confidential submissions received by the Community Scrutiny Forum,
- draws on commentary from the NT Anti-Discrimination Commissioner and the Australasian Council of Auditors General submissions to the Public Accounts Committee, and
- makes recommendations based on those submissions.

**All submissions identified key concerns with the Bill and recommended that it should not pass in this form.**

The Report identifies key concerns with the process and content of the Bill and makes the following recommendations:

## 2. Recommendations

**1. Withdraw the Bill.**

The Government should immediately withdraw the *Integrity and Ethics Commissioner Bill 2025*.

**2. Conduct a full, independent review.**

Establish a comprehensive review led by three independent experts, open to public submissions. The review must engage integrity specialists, legal groups, civil society, and affected communities, and allow adequate time for detailed analysis. It should adopt the Australian Anti-Corruption Commission principles.

**3. Undertake genuine community consultation.**

Consult people with lived experience of mental illness, disability and health complaints, Aboriginal and Torres Strait Islander communities, integrity and democracy experts, legal and human rights advocates, and staff from existing integrity bodies.

**4. Ensure parliamentary oversight.**

Any future bill must be referred to the Legislative Scrutiny Committee, released as an exposure draft for line-by-line review, and revised in response to identified issues.

**5. Address root causes of system failure.**

Strengthen integrity systems through secure funding, improved recruitment practices, clear statutory independence, adequate investigative resourcing, and a genuine political commitment to transparency and accountability.

**6. If the Bill proceeds, build proper safeguards.**

Any merged body must include statutory Assistant Commissioners, protected budgets and dedicated specialist staff, strong conflict-of-interest protections, trauma-informed and culturally safe processes, safeguarded independence for the Auditor-General, and robust parliamentary oversight.

A fundamental question raised by submissions to the Community Scrutiny Forum is whether the model proposed by the Bill addresses the root causes of current issues with the Territory's integrity system – namely inadequate funding, political will, and recruitment challenges – or simply creates a larger, equally under-resourced institution with additional complexity and new problems created by its structure.

The Bill risks creating an integrity framework that is less independent, less specialised and less responsive than the structure it replaces. It additionally carries the significant risk of unintended consequences arising from the lack of careful consultation in the development of the integrity framework.

### 3. Outline of this report

This report commences with an overview of the amendments proposed by the Bill and outlines the functions of the existing integrity offices in the NT.

The background to the McClintock-Hiley review into the structural models for integrity offices is discussed. Based on submissions to the Community Scrutiny Forum, the model for a new Integrity Commission recommended by the review is critiqued. This is followed by a more extensive discussion on the model proposed by the Bill as it differs significantly in many aspects from the McClintock-Hiley model.

Separate sections discuss specific concerns raised in relation to the Health and Community Services Complaints Commission and the Auditor-General in the new mega-Commission.

The Bill is assessed against the terms of reference for the Legislative Scrutiny Committee and recommendations are made regarding whether the Legislative Assembly should pass the Bill.

This report is based on information in the Bill and the explanatory statement. The lack of detail about how the proposed Integrity and Ethics Commissioner model will actually work means some interpretations about the function of the Bill may not be accurate. Without adequate consultation around the development of the Bill, such as a consultation draft provided to stakeholders, or scrutiny by the Legislative Scrutiny Committee, there has been no avenue available to check whether these assumptions are correct.

## 4. Introduction to the Community Scrutiny Forum

### 4.1 Why does this Bill need scrutiny?

This report provides feedback from the Community Scrutiny Forum initiated by Justine Davis (Member for Johnston, and independent member of the Legislative Scrutiny Committee) in response to Chief Minister Lia Finocchiaro’s refusal to refer the Integrity and Ethics Commissioner Bill 2025 (Serial 46) to the Legislative Scrutiny Committee (**‘LSC’**) for inquiry and report to the Legislative Assembly.

While the LSC operates under specified terms of reference agreed by the Legislative Assembly, the Community Scrutiny Forum requested submissions from community members and organisations so that the CLP Government would know what the community thinks about proposed ‘changes that go to the heart of transparency, accountability and trust’<sup>1</sup> and to inform the Minister and all MLAs of this feedback prior to debating the Bill in Parliament.

### 4.2 What concerns do community stakeholders hold about the lack of legislative scrutiny?

Public submissions were received from three concerned individual citizens and seven organisations representing legal services, Aboriginal justice policy and advocacy, mental health advocates, lived experience networks and democracy watchdogs. There were also four confidential submissions.

Along with Territory residents and diverse Territory-based stakeholders, several major national integrity organisations also made submissions about this Bill, providing the type of high-level advice which would generally be sought through a Legislative Scrutiny Committee inquiry process.

As noted by the North Australian Aboriginal Justice Agency (NAAJA) in their submission:

‘public consultation and proper legislative scrutiny are particularly important in the context of a Bill that proposes to overhaul the NT’s existing model of independent integrity offices.’

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<sup>1</sup> [https://www.instagram.com/p/DQ5l1K8EjKt/?hl=en&img\\_index=1](https://www.instagram.com/p/DQ5l1K8EjKt/?hl=en&img_index=1)

Community concerns have been raised regarding the lack of stakeholder engagement with integrity advocates, civil society organisations, legal experts or public consultation in both the McClintock-Hiley review and the development of the Bill.

As noted by the Australian Democracy Network, the McClintock-Hiley review which seems to be the foundation of this Bill, was completed over:

... a total working period of just 21 days. This compressed timeframe severely limits the capacity for deep analysis, comparative study, and comprehensive stakeholder engagement necessary for recommending a restructuring of the Territory's entire integrity framework.<sup>2</sup>

The terms of reference for the McClintock-Hiley <sup>3</sup>. In its submission to the Community Scrutiny Forum, the NT Lived Experience Network questioned how this could be achieved when the communities who depend on the health complaints system – people with lived experience of mental illness, disability, chronic health issues, trauma, ageing, and Aboriginal Territorians – were not consulted.

One of the citizens who made a submission to the Community Scrutiny Forum was also concerned about the apparent rushed development of this Bill.

Legislation that affects public trust and the ethical framework of government should be subject to comprehensive debate, input from stakeholders, and rigorous analysis. Rushing the process risks overlooking unintended consequences and undermining public confidence in both the legislation and the institutions it is meant to protect ... it is essential that a wide range of voices be heard, including legal experts, public servants, advocacy groups, and the general public. The current approach appears to have sidestepped meaningful consultation...<sup>4</sup>

The North Australian Aboriginal Justice Agency expressed concern that:

Despite the NT's regulation-making framework recognising the importance of public consultation, there has been no public consultation process or any opportunity for affected communities, complainants or representatives to assess and inform the legislative design and transitional arrangements. The absence of transparent inclusive consultation risks further undermining public confidence in

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<sup>2</sup> Australian Democracy Network submission to Community Scrutiny Forum.

<sup>3</sup> McClintock-Hiley Review, Terms of Reference, section 3.4.a.

<sup>4</sup> Kathy Bannister submission to the Community Scrutiny Forum.

a restructure that is intended to restore trust, and increases the risk of unintended operational and governance consequences during and after transition.<sup>5</sup>

The Centre for Public Integrity recommended that

... legislative reforms [need] to be informed by an open, independent, and comprehensive review process. This kind of review should include submissions from a wide range of people, including integrity experts and non-governmental organisations, key stakeholders, and the public. This open process is about more than just securing a better legislative reform; it is also about building public trust in the reform itself.

Fairer Future agreed that the ‘lack of transparency undermines public confidence from the outset and raises questions about the government’s true motivations’ in reshaping the Northern Territory’s entire integrity architecture without expert input on implementation challenges or proper transition planning to protect ongoing investigations.<sup>6</sup>

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<sup>5</sup> North Australian Aboriginal Justice Agency submission to the Community Scrutiny Forum.

<sup>6</sup> Fairer Future submission to the Community Scrutiny Forum.

## 5. Overview of the Bill

<b>Integrity and Ethics Commissioner Bill 2025 (Serial 46)</b> <a href="https://legislation.nt.gov.au/en/LegislationPortal/Bills/~//link.aspx?_id=E6BDDA4812F0415E851BA3A726FBEEF7&amp;_z=z">https://legislation.nt.gov.au/en/LegislationPortal/Bills/~//link.aspx?_id=E6BDDA4812F0415E851BA3A726FBEEF7&amp;_z=z</a>	
<b>Sponsor</b>	Lia Finocchiaro Chief Minister
<b>Notice given</b>	Wednesday 22 October 2025
<b>First Reading speech</b>	Thursday 23 October 2025 Pages 1-4 <a href="https://hdl.handle.net/10070/1016450">https://hdl.handle.net/10070/1016450</a>
<b>Outcome of First Reading</b>	The second reading of the Bill be made an order of the day for the first Assembly meeting after 28 days have elapsed (i.e. Tuesday 25 November 2025)

According to the Explanatory Statement:

The Integrity and Ethics Commissioner Bill 2025 is a Bill for an Act to promote integrity and ethics in the public sector and health sector by establishing the positions of Integrity and Ethics Commissioner and Integrity and Ethics Oversight Inspector and for related purposes.

This Bill gives legislative effect to the Government’s acceptance and support of the model recommended by 2025 McClintock-Hiley Report with some significant changes to that model as outlined throughout this report.

The Bill aims to strengthen the integrity system in the Northern Territory, support sustainable governance structures, and improve the capacity of statutory offices to deliver their mandates effectively and independently. In order to do this, the Bill:

- Provides for the appointment of an Integrity and Ethics Commissioner (the Commissioner) and the terms of appointment, suspension and termination of office.
- Provides for the Commissioner to hold office as each of the following Integrity Officers:
  - the Commissioner for Health and Community Services Complaints (the Health Complaints Commissioner) referred to in section 9 of the *Health and Community Services Complaints Act 1998* (HCSC Act)
  - the Independent Commissioner Against Corruption (the ICAC) referred to in section 17 of the *Independent Commissioner Against Corruption Act 2017* (the ICAC Act)

- the Information Commissioner referred to in section 85 of the *Information Act 2002* (the Information Act)
  - the Ombudsman referred to in section 9 of the *Ombudsman Act 2009* (the Ombudsman Act).
- Allows for the appointment of an Acting Commissioner. An Acting Commissioner can be appointed to act as the Commissioner in the Commissioner’s absence.
- Provides for the Commissioner to be supported by the Office of the Integrity and Ethics Commissioner (the IEC’s Office), which is an agency pursuant to the *Public Service Employment and Management Act 1993* (PSEMA).
- Provides for the appointment of the Integrity and Ethics Oversight Inspector (Inspector), a statutory role tasked with evaluating the Commissioner, the IEC’s Office and the Auditor-General’s Office. The Inspector also receives and investigates complaints about the IEC’s Office and the Auditor-General’s Office.
- Provides a mechanism for managing actual, potential or perceived conflicts of interest that may arise when the Commissioner performs multiple statutory functions under any of the Integrity Acts. The Commissioner must notify the Inspector when a conflict arises and not continue to deal with the matter. The Inspector is responsible for determining how the matter should proceed to avoid the conflict and may decide that the matter can continue internally with safeguards in place or recommend to the Minister that an external person be appointed to handle the matter.
- Provides for transitional provisions and consequential amendments to other Acts to ensure a smooth transition into the new regime established by the Bill.

## 6. Existing Integrity Framework in the NT

Currently, the NT's integrity system, as understood for the purposes of this Bill, consists of the following bodies:

- Independent Commissioner Against Corruption (ICAC) with oversight by the ICAC Inspector,
- Ombudsman / Information Commissioner,
- Health and Community Services Complaints Commissioner (HCSCC), and
- Auditor-General (NTAGO).

These bodies operate independent of government, each headed by a commissioner or equivalent role which is established by legislation. Each body has a different function, and these functions are not interchangeable.

The **Independent Commissioner Against Corruption (ICAC)** is corruption-focused, investigative body with coercive powers. ICAC works to guard against improper conduct in the NT Government, local councils and other related bodies. Improper conduct includes behaviours or actions relating to public administration that are corrupt, against the law, dishonest, inappropriate and against the best interests of Territorians. The ICAC can review, investigate or refer matters on to referral entities to address improper conduct in public administration. The office also conducts activities to educate the community about improper conduct to prevent improper conduct from occurring.

The **Ombudsman** works to improve the quality of decision-making and administrative practices in public authorities, and receives and considers complaints from members of the public about NT Government departments, statutory authorities, local government councils, NT Police and Correctional Services. The Ombudsman is the NT's interim National Preventive Mechanism (NPM) under the Optional Protocol to the Convention Against Torture (OPCAT); however, this function remains unfunded. The Ombudsman serves as the Principal Officer of the NT Judicial Commission and receives and assesses complaints about judicial officers and determines whether matters should proceed to the Commission for consideration. This function supports the integrity of the judiciary and strengthens public confidence in the administration of justice. Finally, the Ombudsman has also taken on the role of Information Commissioner.

The **Information Commissioner** is the independent officer appointed to oversee the Freedom of Information (FOI) and privacy provisions of the *Northern Territory Information Act 2002*. The Information Commissioner promotes understanding and awareness of FOI

and privacy in the community and the public sector, and deals with complaints about breaches of privacy and about FOI decisions made by public sector organisations.

The **Health and Community Services Complaints Commission** (HCSCC) deals with complaints and quality-of-care in health and community services. The HCSCC has strategic objectives to: provide a quality, accessible and transparent complaints assessment, resolution and investigation service; promote the capacity of the health, disability and aged services sectors to resolve complaints directly with service users; analyse complaints to identify causes, detect trends and contribute to systemic improvement; and provide independent advice to government on matters affecting health, disability and aged care services in the Territory.

The **Auditor-General** assists the Legislative Assembly in its oversight of the financial and performance accountability of public sector entities through independent audits and reviews. The Auditor-General provides the Legislative Assembly, and public sector entities, with independent professional opinions on matters related to financial management and compliance with legislative requirements, and comments on performance management systems in place at public sector entities.

## 7. McClintock-Hiley Review

### 7.1 Background to the review

On 10 June 2025 during Budget Estimates hearings, Lia Finocchiaro (Chief Minister) stated that ‘a process will take place now where we look at what is next, basically’ in regard to the ICAC and examining the integrity framework in the Territory.<sup>7</sup>

In July 2025, the Chief Minister commissioned Bruce McClintock (NT ICAC Inspector) and Graham Hiley (Acting Supreme Court Judge of the NT) to conduct a review into the structural models for integrity offices in the NT. The review commenced on 14 July 2025 and was completed by 4 August 2025.

To manage any actual or perceived conflict of interest with one of the reviewers – Bruce McClintock – being the current ICAC Inspector, the Office of the ICAC Inspector including the Inspector’s statutory powers, functions, resourcing, reporting arrangements and legislative framework, was explicitly excluded from the scope of the review.<sup>8</sup>

In submissions to the Community Scrutiny Forum, serious concerns were raised about the effectiveness of selecting a reviewer with this conflict of interest and the negative impact on the review caused by the subsequent exclusion of the Office of the ICAC Inspector from its scope.

For example, the opinion of the NT Lived Experience Network was that:

With insufficient time, limited options, and delivery through the Chief Executive of the Department of the Chief Minister and Cabinet, this review does not reflect independent analysis. It reflects a predetermined direction. This suggests the reform was designed to justify legislative changes the Government intended to pursue without consultation and without a public mandate.<sup>9</sup>

### 7.2 Recommended Model for NT Integrity Commission

The review recommended a model which consolidates the ICAC, the Ombudsman / Information Commissioner and the HCSCC into a single, unified statutory commission (see Figure 1). This body was to be led by an Integrity and Ethics Commissioner,

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<sup>7</sup> Estimates Committee, Tuesday 10 June 2025, page 27:  
<https://parliament.nt.gov.au/committees/list/estimates-2025>

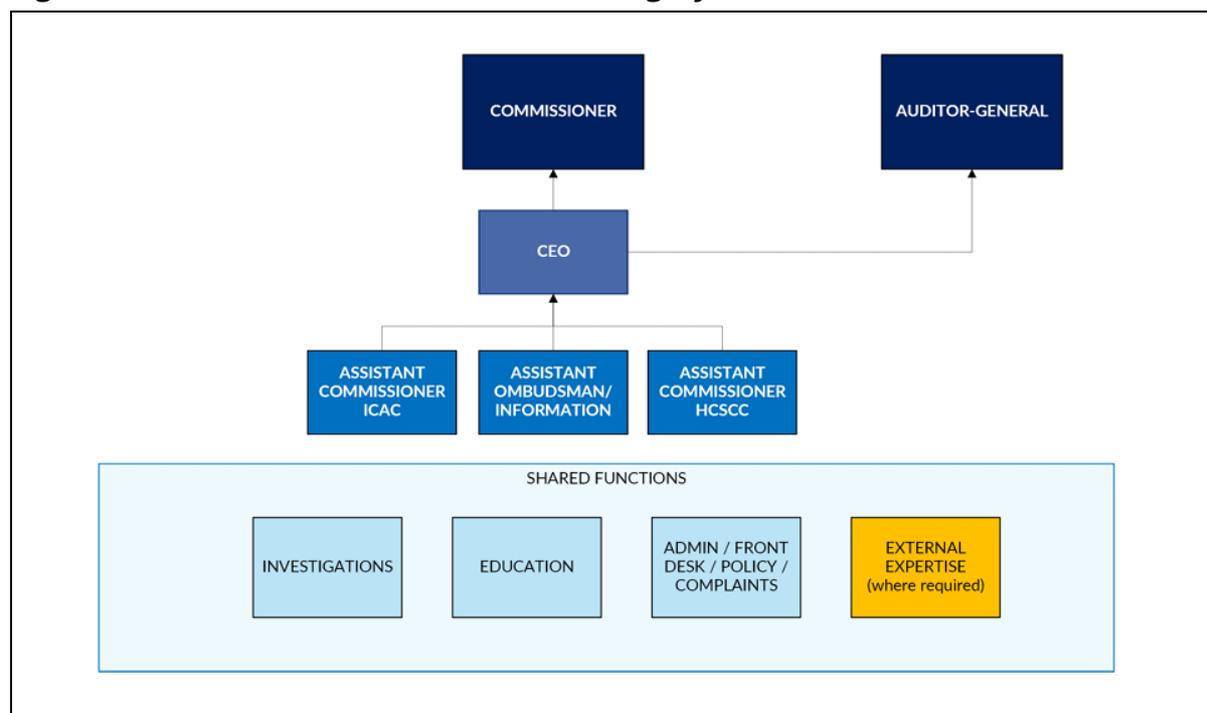
<sup>8</sup> McClintock-Hiley Review, Terms of Reference, section 5.

<sup>9</sup> NT Lived Experience Network submission to Community Scrutiny Forum

supported by a Chief Executive Officer (CEO) and dedicated Assistant Commissioners responsible for each integrity function.

The Auditor-General would retain statutory and operational independence but would participate in a shared corporate services arrangement administered by the new Commission.

**Figure 1: Recommended Model for New Integrity Commission with CEO**



Source: McClintock & Hiley, 2025, page 24

In their submission Transparency International Australia acknowledged practical benefits of some consolidation:

"We recognise the value of a shared-services approach for integrity agencies in the Northern Territory. Co-locating offices, and sharing corporate services could deliver genuine efficiencies. Maintaining multiple small agencies that duplicate these functions in a jurisdiction of around 250,000 people is inefficient and exacerbates the resourcing challenges highlighted in the Review."

However, they drew a critical distinction:

"Despite these potential benefits, we have significant concerns about aspects of the Bill that could weaken, rather than strengthen, the Territory's integrity system. Most critically, the Bill contains no protections to prevent the dilution of core anti-corruption functions under a model in which one individual simultaneously

occupies the roles of ICAC, Ombudsman, Information Commissioner and Health and Community Services Complaints Commissioner."

The Anti-Discrimination Commissioner was consulted for the Community Scrutiny Forum and expressed concern about the lack of any cost-benefit analysis before the reviewers decided on their recommended model, which has a focus on administrative simplicity but does not fully address the complexities of distinct statutory bodies.<sup>10</sup>

Fairer Future in their submission warned that:

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.<sup>11</sup>

The Centre for Public Integrity was clear in their criticism of any model which centralises integrity agencies into one body, particularly when this does not separate the functions of an anti-corruption commission from the functions of an ombudsman:

Ombudsman offices traditionally focus on investigating the administrative actions of government agencies (including the police). Australian anti-corruption commissions, by contrast, are focused on investigating and suppressing systemic and high-level forms of corruption (often by elected members). Their investigations sometimes uncover evidence of high-level criminal behaviour and maladministration; for this reason, their investigations show that no public officials – no matter how powerful – are immune from accountability.<sup>12</sup>

While the McClintock-Hiley review noted that the future of the Office of the ICAC Inspector and its scope would need to be considered if any model different from the current situation is to be adopted<sup>13</sup>, the Australian Democracy Network considers this exclusion compromised the integrity of the review process by excluding 'the very office central to previous ICAC accountability'<sup>14</sup>.

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<sup>10</sup> Private Submission, Anti-Discrimination Commissioner – referred to with permission

<sup>11</sup> Fairer Future submission to the Community Scrutiny Forum.

<sup>12</sup> The Centre for Public Integrity submission to the Community Scrutiny Forum.

<sup>13</sup> McClintock & Hiley, 2025, page 7.

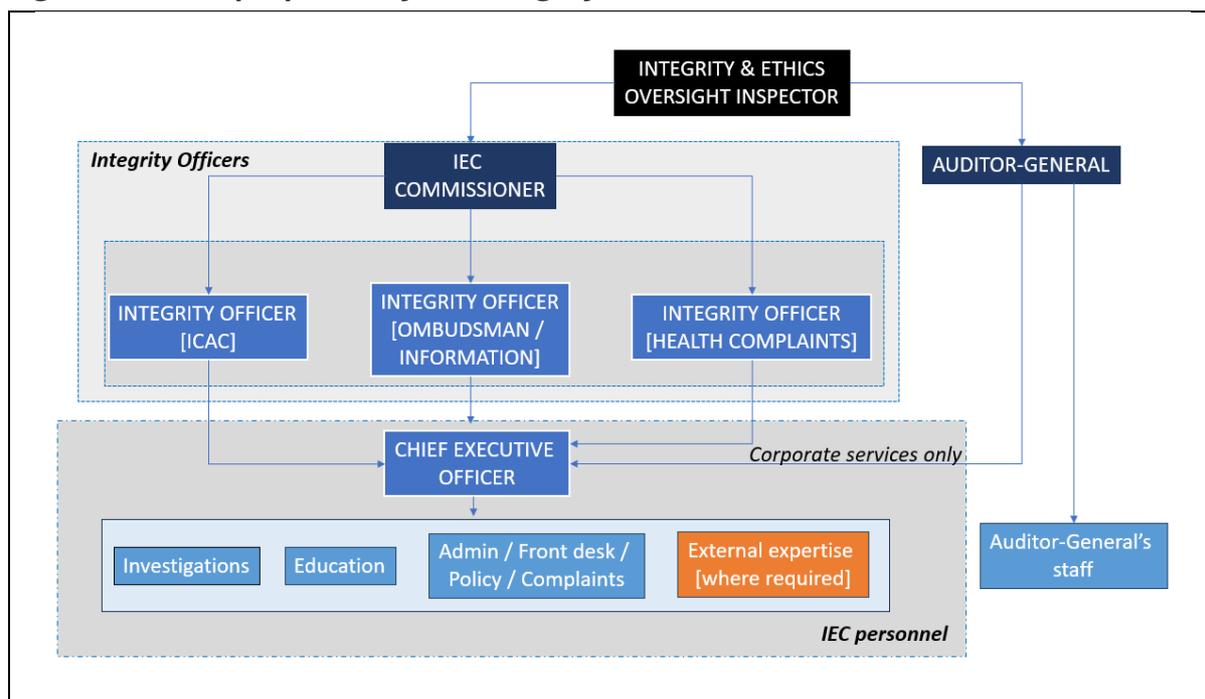
<sup>14</sup> Australian Democracy Network submission to the Community Scrutiny Forum.

## 8. Model proposed by the Integrity and Ethics Commissioner Bill 2025

The model proposed by the Bill differs significantly in many aspects from the McClintock-Hiley recommended model shown in Figure 1.

The model shown in Figure 2 is based on information in the Bill and, where there is no relevant information, assumptions have been made. The lack of transparency about how this model will actually work means Figure 2 may not be a correct interpretation of how the structure of the Integrity Commission is intended to function. Without adequate consultation around the development of the Bill such as a consultation draft provided to stakeholders or scrutiny by the Legislative Scrutiny Committee, there has been no avenue available to check whether these assumptions are correct.

**Figure 2: Model proposed by the Integrity and Ethics Commissioner Bill 2025**



Source: Interpretation of information in the Integrity and Ethics Commissioner Bill 2025

The Chief Minister used her first reading speech to provide assurance that the new model is not a cost-saving measure.

Fairer Future suggested that this could be demonstrated by:

- increasing the total budget allocation compared to the sum of budget allocation across the current bodies

- a commitment to filling all vacant positions
- investment in training and professional development
- adequate funding for public hearings and investigations
- resourcing for prevention and education programs.<sup>15</sup>

Submissions to the Community Scrutiny Forum raised many concerns about this model which are discussed in the following sub-sections of this report.

## 8.1 Role of the IEC Inspector

One evident difference between the proposals is that the model proposed by the Bill includes an Integrity and Ethics Oversight Inspector; the role of an inspector was excluded from the McClintock-Hiley review.

No information has been provided in the documents relating to this Bill regarding:

- how the role of the Integrity and Ethics Oversight Inspector was conceived and incorporated into the recommended model,
- who was responsible for the adaptation of the recommended model to what is provided for in the Bill, or
- whether the creators of the recommended model had the opportunity to provide input into the model proposed by the Bill.

While the Inspector may engage consultants, persons employed in an NT public sector agency can also be seconded to the Inspectors staff. As pointed out by the Australian Democracy Network:

This reliance on staff seconded from government agencies, which are subjects of the Commissioner's and Inspector's oversight, introduces a structural dependence on the very entities the Inspector is mandated to investigate.<sup>16</sup>

## 8.2 Encouraging conflicts of interest

This structure appears to introduce, rather than overcome, conflicts of interest. Furthermore, the Bill provides for managing those conflicts after they have occurred rather than preventing them from occurring.

An example could be when a health complaint about a government hospital reveals corruption involving contracts for the provision of medical supplies. Under the current

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<sup>15</sup> Fairer Future submission to Community Scrutiny Forum, page 9.

<sup>16</sup> Australian Democracy Network submission to Community Scrutiny Forum.

system, the Health Complaints Commissioner handles the health aspects and the ICAC handles the corruption aspects – two separate individuals with different powers.

Clause 40 of the Bill outlines how conflicts of interest arising for the IEC Commissioner in their role as each of the four Integrity Officers should be dealt with. Under the model proposed by the Bill, the same person holds both roles. If this person identifies a conflict, they must stop work and notify the IEC Inspector, who then decides what to do on a case-by-case basis. The Inspector might recommend an acting Integrity Officer is appointed however there is no time requirement associated with such an appointment and a lack of clarity around who can be appointed.

Clause 40(3) allows the Inspector to recommend an acting Integrity Officer is appointed to exercise the powers or functions that the Commissioner is unable to undertake due to their conflict of interest. Noting the NT's longstanding issue of recruiting qualified personnel, in their submission, NAAJA queried how long it would take to recruit acting Integrity Officers and envisaged potential delays and uncertainty for complainants and public authorities alike.

The Australian Democracy Network considered that this mechanism is fundamentally weak as it relies on the Commissioner (as an Integrity Officer) determining that their exercise of a power or performance of a function would create an actual, potential or perceived conflict and only then notifying the Inspector and ceasing the activity. Placing the onus of self-reporting on the single, powerful office holder introduces a critical vulnerability that may fail precisely when independence and external scrutiny are most needed.<sup>17</sup>

The Centre for Public Integrity also criticised this mechanism:

This kind of self-accountability is not a reliable way to overcome the inevitable array of conflicts. For this reason, this super-commission is likely to continue to lead to actual or perceived conflicts of interest that undermine the ability of the integrity system to secure public trust in government.<sup>18</sup>

If the IEC Commissioner fails to self-identify a conflict of interest, it is unclear whether there are any other more reliable mechanisms built into the structure of the new Commission to enable this to occur. Fairer Future also criticised the unrealistic burden this mechanism places on one individual and its creation of gaps in accountability.

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<sup>17</sup> Australian Democracy Network submission to Community Scrutiny Forum.

<sup>18</sup> Centre for Public Integrity submission to Community Scrutiny Forum.

### 8.3 Chief Executive Officer of the IEC’s Office

In relation to the position of the CEO, the model recommended by the McClintock-Hiley review stated that:

The role of a Chief Executive Officer would be to assist the Commissioner in his or her decision making and to provide leadership and guidance to Assistant Commissioners and management teams, as well as to bear responsibility for leading and directing day-to-day management of the Commission to ensure compliance with statutory and budgetary frameworks. While the need for a CEO is most acute in relation to the ICAC, each of the other agencies will benefit, we have no doubt, from such a position.<sup>19</sup>

The Bill contains no information on the role, functions and powers of the CEO beyond that they are defined as a member of IEC personnel. In her first reading speech, the Chief Minister described the role of the CEO as to oversee the shared corporate functions and manage staffing, budget and administrative matters.

NAAJA noted that:

The role and authority of the Chief Executive Officer is not clearly specified in relation to the four functions. In practice, a single CEO with remit across all IEC personnel may exercise substantial direction over the staff of each jurisdiction, further complicating independence and accountability mechanisms. These features collectively raise the prospect of inconsistent or competing directions and erode the clarity of governance safeguards that underpin confidence in integrity frameworks.<sup>20</sup>

### 8.4 Inherent risk and conflict in a ‘single commissioner’ model

In the model proposed by the Bill, the Integrity and Ethics Commissioner will concurrently hold the offices of four distinct Integrity Officers with vastly different mandates ranging from the investigation of corruption by public officers, to handling individual health complaints. This is an unprecedented concentration of quasi-judicial bodies and risks diminishing the necessary independence, specialist focus, dedicated advocacy, and public visibility required by each independent office.<sup>21</sup>

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<sup>19</sup> McClintock & Hiley, 2025, page 28, paragraph 105. Underlinign added.

<sup>20</sup> NAAJA submission to the Community Scrutiny Forum, page 3.

<sup>21</sup> Australian Democracy Network submission to Community Scrutiny Forum.

Transparency International Australia explains why these functions cannot simply be combined:

"Each agency's function is profoundly different from each other, although they may require investigative and support staff with similar skill sets. Each requires its own institutional culture, risk appetite, professional expertise and independence profile."

"The ICAC investigates serious corruption and misconduct with coercive powers including public hearings, while the Ombudsman mediates administrative complaints seeking systemic improvements. The Information Commissioner balances transparency with privacy in reviewing government information decisions, while the HCSCC focuses on patient safety and service quality in healthcare settings. These are not simply different workstreams within one mandate but fundamentally distinct accountability functions, each established by separate legislation with different objectives, powers and stakeholder relationships."<sup>22</sup>

As pointed out by Fairer Future, the concentration of power under one person creates risks including:

- an excessive workload leading to burnout or a superficial handling of matters
- a single point of failure if the Commissioner is ineffective or compromised
- reduced accountability as there is no peer review across bodies
- increased vulnerability to political pressure
- greater consequences if an unsuitable person is appointed.<sup>23</sup>

Transparency International Australia emphasises:

"Most critically, it creates a single point of failure in the integrity system where compromise, incapacity or poor performance of one individual affects all four accountability mechanisms simultaneously."

"Even with an Oversight Inspector, the level of reliance on one individual without dedicated Assistant Commissioners for each function is considerable and may undermine perceptions of independence, particularly in politically sensitive corruption matters where the Commissioner must be seen to act without fear or favour."<sup>24</sup>Realistically, a single commissioner will not be capable of providing the same

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<sup>22</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 3.

<sup>23</sup> Fairer Future submission to Community Scrutiny Forum, pages 5-6.

<sup>24</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 3.

level of oversight and effective decision-making across all four regimes without compromising timeliness, quality and continuity, particularly in high-risk areas such as health complaints and corruption investigations. NAAJA notes their experience that the current arrangements, where the Ombudsman and Information Commission role is shared, impacts upon the ability of that person to perform each role effectively.

## 8.5 Absence of Assistant Commissioners appointed by statute

The model proposed by the Bill diverges significantly from that recommended by the McClintock-Hiley review which showed the Integrity Commission being led by one Commissioner and Assistant Commissioners for each integrity function (corruption, health, information, ombudsman) which would be statutory appointments with guaranteed roles.

Transparency International Australia identifies this as a fundamental and unexplained departure from the review:

"The Review explicitly recommended that the Commissioner be 'supported by a Chief Executive Officer (CEO) and dedicated Assistant Commissioners responsible for each integrity function' who would 'undertake the day-to-day management of each of their Offices, with powers delegated by the Commissioner to the extent necessary.' This structural element was presented as essential to making the consolidated model workable. However, the Bill contains no provisions establishing Assistant Commissioner positions."

"The Bill simply vests all four statutory offices in the Commissioner personally. The only provision for additional appointments is for acting Integrity Officers in conflict-of-interest situations, not for ongoing operational leadership of each function. This omission is significant given the Review's recognition that such specialist leadership would be necessary to maintain the distinct character and focus of each integrity agency."<sup>25</sup>

In submissions to the Community Scrutiny Forum, concerns were raised that without statutory Assistant Commissioners, regular staff appointments could be changed or removed easily and there would be no statutory protection for specialist leadership roles.

Transparency International Australia warns of a critical risk:

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<sup>25</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 2.

"Without Assistant Commissioners providing operational leadership for each function, there is substantial risk of diluting the anti-corruption mandate as routine complaints and administrative reviews consume the Commissioner's attention and resources that should be devoted to corruption detection and prevention. It risks blurring lines when matters overlap, creating confusion about which statutory framework applies."

"In addition, the workload implications for one Commissioner are substantial, even with supporting staff."<sup>26</sup>

NAAJA's expressed concern that the lack of statutory Assistant Commissioners is a critical structural gap as:

- It pushes operational leadership into a purely delegations-based arrangement lacking the public appointment safeguards, tenure and transparent accountability settings that attach to a statutory appointment.
- Without a statutory requirement to constitute dedicated leadership for each office, there is no assurance that necessary delegations will be made or maintained or that each area would be given the level of attention it deserves. This creates a risk of uneven resourcing, gaps in functional oversight, and uncertainty about how powers will be distributed and exercised, reducing confidence in the independence and stability of operational decision-making across the four offices.
- Moving to a single Commissioner model with no statutory requirement to appoint an Assistant Commissioner to each Integrity Office may create a scenario, based on the NT's frequent reliance on acting appointments and the difficulty in filling integrity roles, where the Commissioner is required to fulfil the day-to-day management of more than one Integrity Office, further stretching capacity.<sup>27</sup>

Transparency International Australia noted:

"Although the Bill contains mechanisms for managing conflicts that arise from the Commissioner occupying multiple offices, these provisions may not be sufficient in practice. Many situations will generate overlapping jurisdictions—for example, an FOI review concerning an ICAC investigation, or an administrative complaint involving an agency the Commissioner is already investigating. Relying solely on the Inspector to manage these conflicts places significant pressure on that office and risks delays or fragmentation."

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<sup>26</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 3.

<sup>27</sup> NAAJA submission to the Community Scrutiny Forum, page 3.

"The Review originally contemplated Assistant Commissioners which would support mitigating these risks. However, this safeguard is not embedded in the Bill. Without statutory guarantees of support at senior levels, the Commissioner's workload may inhibit their ability to give appropriate attention to high-risk corruption matters."<sup>28</sup>

## 8.6 Appointment of acting Integrity Officers

The McClintock-Hiley review stated that three of the four integrity agencies (ICAC; Ombudsman; HCSCC) were led at the time of the review by acting office holders and commented that the 'absence of a permanent full-time head of the agency cannot be expected to lead to optimal performance'.<sup>29</sup> However, concern was expressed to the Community Scrutiny Forum that the Bill makes it easier for this situation to continue.

The Australian Democracy Network submitted that:

The interim measures introduced in the Bill effectively remove or repeal time restrictions on acting appointments for the ICAC, the Ombudsman, the HCSCC, and the Information Commissioner. This move legitimises the pre-existing problem noted in the [McClintock-Hiley] Report, that three of the four Integrity Agencies were already led by 'acting office holders', and sets a dangerous precedent for delaying substantive, permanent appointments, thereby weakening institutional stability.<sup>30</sup>

Clause 59 provides that an acting ICAC can be appointed specifically to investigate the conduct of the Commissioner or IEC personnel. However, under clause 12 (Eligibility for employment) a person who served as an acting ICAC is barred from subsequently being appointed as the Commissioner for only two years.

The Australian Democracy Network considers that:

'This short cooling-off period is insufficient to safeguard against perceived conflicts, especially when the former investigator's primary action involved scrutinising the new Office's conduct or reputation.'<sup>31</sup>

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<sup>28</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 4.

<sup>29</sup> McLintock & Hiley, 2025, page 17, paragraph 50.

<sup>30</sup> The Australian Democracy Network submission to the Community Scrutiny Forum, page 2.

<sup>31</sup> The Australian Democracy Network submission to the Community Scrutiny Forum, page 3.

## 8.7 Concerns around shared staffing model

The Bill establishes the IEC's Office as an agency and defines IEC personnel to include staff and consultants of each Integrity Officer. The Auditor-General would retain their own staff but draw on the corporate services provided by the IEC's Office.

NAAJA identified that this shared staffing model raises independence concerns as it is stipulated in the relevant Integrity Acts that staff within jurisdictions are subject only to internal direction within that office. There is a risk that personnel and management arrangements will enable cross-functional direction. Although technically "internal" within the IEC, this may undermine the intended operational separation and independence of each Integrity Act. The Bill permits the IEC Inspector to draw on personnel made available by other agencies. While intended to support oversight capacity, this arrangement may create perceptions of external influence in the oversight of the consolidated integrity functions.<sup>32</sup>

Transparency International Australia highlights the lack of legislative clarity around this critical role:

"One of the Review's central recommendations was separating the functions of quasi-judicial decision-making performed by the Commissioner and public sector management performed by a CEO. However, the Bill provides minimal legislative specification of this critical role. It includes no provisions regarding CEO appointment process, eligibility criteria, term and conditions, specific statutory powers and functions, or relationship with the Commissioner."

"The success of the model depends on effective separation of Commissioner and CEO roles, yet critical arrangements are left to administrative decision with no statutory protection."<sup>33</sup>

Transparency International Australia recommended the Bill should include a comprehensive CEO appointment process with defined eligibility criteria and term, specific functions including strategic planning and financial management and a clear accountability framework for the CEO.<sup>34</sup>

Fairer Future also noted structural weaknesses with sharing staff and other resources across different functions and recommended that:

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<sup>32</sup> NAAJA submission to the Community Scrutiny Forum, page 3.

<sup>33</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 5.

<sup>34</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 5.

- There should be dedicated staff for each functional area to preserve specialised expertise.
- Corruption investigators should never be reassigned to investigate FOI complaints.
- Each functional area should have separate reporting lines and protected budgets.

## 8.8 Effective oversight of the Independent Commissioner Against Corruption

The Centre for Public Integrity considers that any legislative reform of the NT integrity system must preserve an independent anti-corruption commission which has more effective oversight than that proposed in the Bill. As well as the Inspector, a joint parliamentary committee with a non-Government Chair and balanced membership, such as in Victoria, would ensure that the executive government is not able to use its numbers on the committee to avoid serious committee oversight and help to ensure that the ICAC is best able to carry out its purpose of safeguarding public trust.<sup>35</sup>

## 8.9 Public access to integrity agencies reduced

Jacinta Stanford expressed concern that amalgamating the roles of specialist agencies reduces the access that the public has to these agencies; that is, five points of contact and interaction reduced to one.<sup>36</sup> The creation of this single ‘integrity gateway’ was also criticised by the NT Lived Experience Network, particularly in relation to health services complaints.<sup>37</sup>

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<sup>35</sup> Centre for Public Integrity submission to the Community Scrutiny Forum, page 2.

<sup>36</sup> Jacinta Stanford submission to Community Scrutiny Forum.

<sup>37</sup> NT Lived Experience Network Submission to the Community Scrutiny Forum, page 2.

## 9. Health and Community Services Complaints Commission

The Health and Community services Complaints Commission (HCSCC) was established by the *Health and Community Services Complaints Act 1998* (NT) and initially operated within the Ombudsman’s Office, with the positions of Ombudsman and Commissioner held by the same person until 29 August 2010.

In the 2008-09 Annual Report, the HCSC Commissioner suggested that a review of the dual positions of Commissioner and Ombudsman was desirable as separate positions would:

- remove actual conflicts of interest as well as public perceptions of conflicts
- provide the public with a more equitable health complaints service given that one person cannot adequately perform the duties of both functionaries during this period of reform in the delivery of health services
- enable greater and more effective participation in national initiatives.<sup>38</sup>

### 9.1 Reversal of separation of roles

On 24 February 2011, the Health and Community Services Complaints Amendment Bill (Serial 152) was introduced to the Legislative Assembly. In his speech, Kon Vatskalis (Minister for Health) noted that:

It is generally agreed that the functions of Ombudsman and Health and Community Services Complaints Commissioner are potentially incompatible given that the Commissioner, like many other independent statutory officers, is potentially subject to the jurisdiction of the Ombudsman concerning some administrative actions.<sup>39</sup>

In consolidating the functions of the Health and Community Services Complaints Commission (HCSCC) and the Ombudsman into a single Integrity and Ethics Commissioner role, this Bill reverses a deliberate structural separation undertaken precisely because of increasing workload, potential and perceived conflicts of interest,

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<sup>38</sup> Annual Report of Health and Community Services Complaints Commission 2008-2009, pages 4-5.

<sup>39</sup> Hansard DEBATES – Thursday 24 February 2011 – page 7481: <https://hdl.handle.net/10070/423709>

and functional incompatibility. This mandatory merger risks recreating the very problems the separation aimed to solve.<sup>40</sup>

## 9.2 Stakeholder concerns

The NT Lived Experience Network noted that dissolving the HCSCC and creating a mega-integrity body combining health complaints, administrative justice, corruption investigation and audit oversight into a single statutory office has no Australian precedent:

Where elements of these functions were mixed in other states, the model failed and was later reversed. The NT would be undertaking a dangerous structural experiment, placing the rights, safety and wellbeing of vulnerable Territorians at risk.<sup>41</sup>

Furthermore, NT Lived Experience Network opined that the creation of a single ‘integrity gateway’ will make it harder for people already struggling with navigating a health complaints system to understand where to go for help and risks traumatising or intimidating people who need a culturally safe, trauma-informed process.

Whether the model proposed by the Bill will engage investigators able to work across the combined and different functions of the new Commission is unclear. The qualifications, skills and individual attributes needed to investigate corrupt conduct of public officials on one hand and deal with sensitive issues associated with health care and service delivery on the other hand are completely different.

As noted by the NT Lived Experience Network:

‘complaints about seclusion, restraint, clinical harm, cultural safety and service failures cannot be handled by generic integrity staff’.<sup>42</sup>

The NT Mental Health Coalition noted that:

It is not clear from the Bill or explanatory statement that [this legislation] will have a positive effect on the rights of Territorians or the capacity of the Commissioner to respond to complaints in a manner that reflects community need and expectations. We are seeking communication with the community, and

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<sup>40</sup> Australian Democracy Network submission to Community Scrutiny Forum.

<sup>41</sup> NT Lived Experience Network submission to the Community Scrutiny Forum, page 2.

<sup>42</sup> NT Lived Experience Network submission to the Community Scrutiny Forum, page 6.

amendments and implementation safeguards that ensure the new integrity framework remains trauma-informed, culturally safe, accessible, and protective of vulnerable consumers. This will help ensure the [legislation] strengthens the rights of Territorians living with mental illness to seek assistance, make complaints, and have their concerns addressed without fear or risk.<sup>43</sup>

In its submission, the NT Mental Health Coalition made recommendations concerning:

- strengthening the Bill’s commitments to accessibility and trauma-informed practice by inserting specific requirements that the Commissioner adopt trauma-informed, recovery-oriented and culturally safe approaches when handling complaints, that align to the NT Lived Experience Engagement Framework,
- protecting health-related consumer complaints from automatic escalation into corruption or misconduct pathways without consultation, consent, and wrap around support that include peer-led approaches,
- ensuring clear points of entry, specialist staff training, and visible complaint options tailored for mental health consumers, including those in crisis or compulsory care,
- providing supported decision-making and advocacy supports for vulnerable complainants with legislated and mandated access to interpreters, peer/lived experience advocates, and communication supports,
- strengthening privacy protections for small communities to ensure that people can safely make complaints without fear of identification, especially in remote settings,
- requiring lived experience governance by introducing formal mechanisms for ongoing engagement with the NT mental health consumer peak body and lived experience leaders, aligned with the NT Lived Experience Engagement Framework, and
- clarifying the interface between the Integrity and Ethics Commissioner and existing mental health safeguards.<sup>44</sup>

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<sup>43</sup> NT Mental Health Coalition submission to the Community Scrutiny Forum, page 2.

<sup>44</sup> NT Mental Health Coalition submission to the Community Scrutiny Forum, page 2-3.

## 10. Northern Territory Auditor-General

Currently, the NT Auditor-General is independent and accountable to the Legislative Assembly.

Major concerns expressed to the Community Scrutiny Forum were that the Bill will:

- allow the new Inspector to evaluate the Auditor-General at any time,
- let anyone complain about the Auditor-General to the Inspector, and
- remove Parliament's oversight role.

The Auditor-General audits government spending. This Bill creates a risk that government can influence or intimidate the Auditor-General through complaints.

Transparency International Australia notes this represents a significant departure from established practice:

"The Bill extends the Inspector's oversight to include the Auditor-General through annual evaluations and complaint handling. This was not recommended in the McClintock-Hiley Review and represents a departure from established practice in other Australian jurisdictions.

In New South Wales, South Australia, Queensland and at the Commonwealth level, Auditor-Generals are maintained as completely separate pillars of the integrity system, distinct from anti-corruption commissions and ombudsmen. The Inspectors who oversee bodies like NSW ICAC or the NACC have no oversight role over the respective Auditor-Generals. Instead, Auditor-Generals are consistently subject to Parliamentary oversight through Public Accounts Committees, not oversight by inspectors of other integrity bodies."<sup>45</sup>

TI Australia poses the fundamental question:

"While the Bill excludes audit judgments and methodologies from Inspector oversight, the Inspector can still evaluate general operations and performance, receive and investigate complaints about the Auditor-General, make recommendations for process improvements, and refer disciplinary matters. The question is whether this degree of integration is compatible with the independence that audit functions require.

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<sup>45</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 5.

If the objective is efficiency through shared administrative support, the standard approach across Australian jurisdictions suggests this can be achieved without bringing the Auditor-General within a unified oversight framework alongside anti-corruption and ombudsman functions."<sup>46</sup>

The Australasian Council of Auditors General (ACAG) provided a submission to the Public Accounts Committee detailing concerns about the impact of the Integrity and Ethics Commissioner Bill 2025 on the NT Auditor-General's Office. As the submission is publicly available on the ACAG website, it is appropriate for concerns expressed by ACAG to be included in this Community Scrutiny Forum report:

'In every Australian jurisdiction, the Auditor-General is a key part of the public sector's integrity and accountability system ensuring the accountability of the Government and its agencies to Parliament and the public. Legislation governing the Auditor-General must achieve the highest level of accountability and transparency and ensure that adequate governance structures and operational processes are in place to enable delivery of the Auditor-General's mandate.'<sup>47</sup>

ACAG did not have the opportunity to review the provisions of the Bill before it was introduced to the Legislative Assembly and made the following points:

- The best model of accountability for an Auditor-General is a well-functioning Parliamentary oversight committee or Public Accounts Committee (PAC).
- There is a lack of accountability of the Inspector built into the model. For example, an examination of the Inspector's annual report by the Standing Committee on ICAC is not the appropriate mechanism to oversee the Inspector's activities as they relate to the Auditor-General.<sup>48</sup>

## 10.1 Evaluation of the Auditor-General's Office

Clause 43 provides that the Inspector may, at any time, evaluate the performance of the Auditor-General's functions or any aspect of the Auditor-General's operations. However, there are already provisions in the *Audit Act 1995* (NT) providing reasonable parliamentary oversight of the Auditor-General, right up to termination.

The *Audit Act 1995* (NT) deals with the evaluation of the Auditor-General's performance by requiring that the Auditor-General reports to the Legislative Assembly on matters

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<sup>46</sup> Transparency International Australia submission to the Community Scrutiny Forum, page 3.

<sup>47</sup> Australasian Council of Auditors General submission to the Community Scrutiny Forum, page 3.

<sup>48</sup> Australasian Council of Auditors General submission to the Community Scrutiny Forum, page 4.

arising from the performance of their functions or the exercise of their powers at least once a year. Financial statements of the Auditor-General's Office are independently audited each year with the independent auditor reporting to the Chief Minister who must then table the report in the Legislative Assembly. An independent review of the Auditor-General's Office is undertaken every 3 years with the reviewer reporting to the Chief Minister who must then table the report in the Legislative Assembly.

The Bill takes this oversight function away from the Legislative Assembly.

## 10.2 Complaints about the Auditor-General

The Bill introduces a mechanism to enable any person to complain about the Auditor-General, staff of the Auditor-General's Office (including employees of contracted audit firms) or the Auditor-General's Office about their improper conduct or questionable conduct. This threatens the independence of the Auditor-General's Office and creates a situation where the Auditor-General's staff or staff of contracted private sector firms could be subject to threats or intimidation regarding potential complaints.

Under clause 45, the Inspector, not the IEC Commissioner, will deal with the complaint. While this may be a reasonable approach to avoid perceived conflicts of interest under the proposed shared services structure, the scope and powers given to the Inspector in relation to the Auditor-General are broad and based on those currently contained in the *Independent Commissioner Against Corruption Act 2017*. The role of the Auditor-General and their statutory powers, including information-gathering powers, are fundamentally different to those of the Independent Commissioner Against Corruption or the proposed Integrity and Ethics Commissioner.

Without independent oversight of the Inspector's investigations, such as that which could be provided by the Public Accounts Committee, there is scope for politicised complaints about the actions and decisions of the Auditor-General.

## 10.3 Shared services

The International Organisation of Supreme Audit Institutions (INTOSAI) is the umbrella organisation of Supreme Audit Institutions (SAI) of countries that belong to the United Nations.

The International Standards of Supreme Audit Institutions (ISSAI) are the authoritative international standards on public sector auditing, based on a set of concepts and

principles, which ensure the quality of audits, enhance the transparency of the audit process, and strengthen the credibility of audit reports.

The Bill proposes for the Auditor-General to use shared corporate services. This is in direct contrast to the international standards - Principle 8: Financial, managerial, and administrative autonomy and availability of appropriate resources – that demand administrative and financial independence.

In their submission, ACAG considers it is critical that the Auditor-General retains operational independence as recommended in the McClintock-Hiley review. Independence underpins the credibility, integrity, and effectiveness of the Auditor-General’s role in these ways:

- Ensures objectivity and impartiality – An Auditor-General must be free from influence—especially political or organizational—to provide unbiased assessments of government operations. Independence allows audits to be conducted without fear or favour, ensuring findings are based solely on evidence and professional judgment.
- Strengthens public trust – Supports accountability and transparency – An independent Auditor-General can hold government departments and agencies accountable for their use of public resources. This contributes to transparency in governance and helps deter corruption, mismanagement, and inefficiency.<sup>49</sup>

As the Auditor-General is the Legislative Assembly’s primary check on government spending, any erosion of their independence affects democratic accountability.

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<sup>49</sup> Australasian Council of Auditors General submission to the Community Scrutiny Forum, page 3.

## 11. Conclusion

The Integrity and Ethics Commissioner Bill 2025 represents a fundamental restructuring of the Northern Territory's integrity system developed without adequate consultation, proper parliamentary scrutiny, or the safeguards necessary to protect independence and effectiveness. Every single submission received by the Community Scrutiny Forum opposed the Bill in its current form. This unprecedented unanimity across national integrity experts, Aboriginal justice advocates, mental health organisations, and concerned Territorians sends a clear message: this Bill should not pass. While real problems exist—three of four agencies operate with acting heads, severe under-resourcing, and persistent recruitment failures—the proposed solution creates more problems than it solves. The Bill concentrates extraordinary power in one person holding four distinct roles, removes statutory Assistant Commissioners deemed "essential" by the review, provides no funding safeguards or parliamentary oversight committee, and removes the Auditor-General from parliamentary accountability—a departure from every other Australian jurisdiction. Most critically, the Bill contains no protections to prevent the dilution of core anti-corruption functions and may exacerbate rather than resolve resource challenges if it simply redistributes existing inadequate funding across more functions.

The Legislative Assembly should reject this Bill and demand proper process. Rushing legislation through without scrutiny maximises political risk whilst minimising the chance of getting reform right—bad policy process that generates bad publicity and increases the likelihood of future scandals. The guiding principle should be clear: no reform should proceed that weakens the independence, effectiveness, or public confidence in the Territory's integrity system. Preserving public trust must remain the paramount consideration. The path forward is clear: withdraw this Bill, establish independent review with genuine consultation, address root causes through adequate funding, and if consolidation proceeds, include necessary safeguards with staged implementation and mandatory evaluation. The integrity of the Northern Territory's public sector—and public trust in government—is too important to risk with flawed legislation that creates a single point of failure, removes critical safeguards, and introduces unprecedented risks without evidence, consultation, or scrutiny.

**Submission summaries :**

**Jacinta Stanford**, a Territory resident of more than 35 years, is very concerned that this Bill represents a reduction of public rights, not an improvement in integrity, and does not reflect public expectations of integrity agencies. While amalgamating the roles of specialist agencies may have economic benefit for the NT Government, it reduces the access that the public has to these agencies; that is, five points of contact and interaction reduced to one. Ms Stanford is also concerned that the powers associated with the transfer of confidential investigation files from the Independent Commissioner Against Corruption (ICAC) to the IEC Inspector are extremely broad and would need to be tested at case law level.

**Max Paez**, a Territory resident for 6 years, believes this Bill makes our decision-making processes vulnerable to corruption. While the Bill might expedite these processes, it removes the safety structures that exist when a range of people are involved with decision making, instead of just one Commissioner.

**Kathy Bannister**, a Darwin resident, expressed concerns regarding the rushed process in developing a Bill which is intended to promote transparency and accountability. The lack of consultation with legal experts, public servants, advocacy groups and the general public denies stakeholder input to the development of this Bill. The Bill must be subject to detailed clause-by-clause analysis to ensure its provisions are clear, enforceable, and aligned with best practices as well as true integrity. Combining four integrity commissions into one office may water down their powers, reduce their resources, make it harder for the public to access the resources they need to have complaints heard, make investigation times slower and less effective, and actually reduce scrutiny and integrity.

Members of the **NT Lived Experience Network** (NTLEN) engage with complaints systems – health complaints, disability and aged-care pathways, service reviews, and integrity mechanisms – often at times of great vulnerability or distress. An accessible, independent and trustworthy complaints process is a critical safeguard that protects wellbeing, prevents harm, and upholds human rights. The Bill will profoundly change how Territorians can raise concerns, seek justice, and ensure accountability from government service providers.

The **Northern Territory Mental Health Coalition** is concerned that consolidating four statutory offices into a single Integrity and Ethics Commissioner may unintentionally reduce the accessibility, safety and effectiveness of complaint pathways for people with mental health challenges. The Coalition is concerned about the effect on the rights of Territorians and the capacity of the Commissioner to respond to complaints in a manner

that reflects community need and expectations. The Coalition is seeking communication with the community to develop amendments and implementation safeguards that ensure the new integrity framework remains trauma-informed, culturally safe, accessible, and protective of vulnerable consumers. This will help ensure the Bill strengthens the rights of Territorians living with mental illness to seek assistance, make complaints, and have their concerns addressed without fear or risk.

The **North Australian Aboriginal Justice Agency (NAAJA)** identifies where the Bill varies from the model recommended in the McClintock-Hiley Report, and the risks that may arise from those differences. These include: concerns about the single commissioner structure and its impact on subject matter expertise; the absence of statutory roles for assistant commissioners; insufficient transition planning; increased risks of conflicts of interest; exposure to external direction; and the absence of public consultation or meaningful engagement with affected sectors when drafting the Bill. Together, these issues demonstrate that the Bill does not establish a robust, independent or culturally accountable integrity system capable of restoring public trust in the NT Government.

The **Centre for Public Integrity** believes that the NT Parliament has a constitutional responsibility to pass new legislation to reform the NT's integrity system and restore public confidence in the exercise of public power. However, the CPI is concerned about two main aspects of the reform introduced by the Bill. The first concerns the process for this significant legislative reform, which was the outcome of a government-appointed and very brief inquiry. The second concerns the centralisation of power into one super-commission which will undermine the ability of NT's integrity system to restore trust in its public sector.

The **Australian Democracy Network (ADN)** considers that the rapid and narrow scope of the McClintock-Hiley review undermines the legitimacy of the resulting legislation. The Bill introduces unacceptable systemic risks, mainly through the concentration of power in the IEC Commissioner and relying on oversight mechanisms that lack genuine independence. By consolidating highly distinct statutory powers and introducing accountability mechanisms dependent on internal self-regulation and potentially conflicted staffing, the Bill risks diminishing, rather than strengthening, public trust in the overall integrity system. The Bill should be reconsidered and focus on decentralising core statutory functions that were previously separated for sound legislative reasons.

**Fairer Future** expresses serious concerns about the proposed merger of the Northern Territory's integrity bodies without adequate public consultation or parliamentary oversight. Consolidation of 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 raises

fundamental concerns about independence, conflicts of interest, and concentration of power that require thorough examination before implementation. While acknowledging the resource challenges facing these bodies, essential safeguards must be incorporated in any merged integrity body to ensure it strengthens, rather than weakens, the Northern Territory's integrity system.

The **Australasian Council of Auditors General (ACAG)**, representing every Auditor-General in Australia and New Zealand, considers the most effective model of accountability for an Auditor-General is a well-functioning Parliamentary oversight committee or Public Accounts Committee (PAC). The Bill erodes the Auditor-General's independence by providing that the Inspector may at their discretion evaluate the performance of the Auditor-General's functions or any aspect of the Auditor-General's operations. The Bill also introduces a mechanism enabling any person to complain to the Inspector about the Auditor-General, staff of the Auditor-General's Office (including employees of contracted audit firms) or the Auditor-General's Office about questionable conduct, providing the Inspector with much wider scope than is available under the current anti-corruption arrangements.

**Transparency International Australia** recognises the urgent need for reform to strengthen the Northern Territory's integrity system and restore public confidence in the exercise of public power. However, TIA is deeply concerned that the Integrity and Ethics Commissioner Bill 2025 proceeds without the safeguards necessary to ensure an effective, independent and trusted integrity framework. While acknowledging the pressures facing existing agencies and the potential benefits of shared services, TIA warns that consolidating four distinct accountability functions into a single officeholder, without the Assistant Commissioners and protections recommended by the McClintock–Hiley Review, risks weakening rather than strengthening the Territory's integrity architecture. Additional concerns include unprecedented oversight over the Auditor-General, insufficient conflict-of-interest and appointment safeguards, lack of guaranteed resourcing, and the absence of any parliamentary oversight mechanism. Given these risks, TIA recommends that the Bill be subject to detailed scrutiny by the Legislative Scrutiny Committee to ensure the reforms enhance, rather than compromise, the independence and effectiveness of the NT's integrity system

## 12. LSC terms of reference

### **Legislative Scrutiny Committee Terms of Reference**

#### **Sessional Order 14**

#### ***Establishment of Legislative Scrutiny Committee***

1. The Assembly appoints a Legislative Scrutiny Committee.
2. The membership of the scrutiny committee will comprise three Government Members, one Opposition Member and one crossbench Member.
3. The functions of the scrutiny committee shall be to inquire into and report on:
  - a) any bill referred to it by the Assembly;
  - b) in relation to any bill referred by the Assembly:
    - i) whether the Assembly should pass the bill;
    - ii) whether the Assembly should amend the bill;
    - iii) whether the bill has sufficient regard to the rights and liberties of individuals, including whether the bill:
      - A. makes rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review; and
      - B. is consistent with principles of natural justice; and
      - C. allows the delegation of administrative power only in appropriate cases and to appropriate persons; and
      - D. does not reverse the onus of proof in criminal proceedings without adequate justification; and
      - E. confers power to enter premises, and search for or seize documents or other property, only with a warrant issued by a judge or other judicial officer; and
      - F. provides appropriate protection against self-incrimination; and
      - G. does not adversely affect rights and liberties, or impose obligations, retrospectively; and
      - H. does not confer immunity from proceeding or prosecution without adequate justification; and
      - I. provides for the compulsory acquisition of property only with fair compensation; and
      - J. has sufficient regard to Aboriginal and Torres Strait Islander tradition; and
      - K. is unambiguous and drafted in a sufficiently clear and precise way.
    - iv) whether the bill has sufficient regard to the institution of Parliament, including whether a bill:

- A. allows the delegation of legislative power only in appropriate cases and to appropriate persons; and
- B. sufficiently subjects the exercise of a delegated legislative power to the scrutiny of the Legislative Assembly; and
- C. authorises the amendment of an Act only by another Act.

4. The committee will provide an annual report of its activities to the Assembly.

Source:<https://parliament.nt.gov.au/business/standing-and-sessional-orders/13-05-2025-Sessional-Orders-15th-Assembly.pdf>

## 13. References & resources

### Legislation

#### *Audit Act 1995*

<https://legislation.nt.gov.au/Legislation/AUDIT-ACT-1995>

#### *Criminal Records (Spent Convictions) Act 1992*

<https://legislation.nt.gov.au/Legislation/CRIMINAL-RECORDS-SPENT-CONVICTIONS-ACT-1992>

#### *Health and Community Services Complaints Act 1998*

<https://legislation.nt.gov.au/Legislation/HEALTH-AND-COMMUNITY-SERVICES-COMPLAINTS-ACT-1998>

#### *Independent Commissioner Against Corruption Act 2017*

<https://legislation.nt.gov.au/Legislation/INDEPENDENT-COMMISSIONER-AGAINST-CORRUPTION-ACT-2017>

#### *Information Act 2002*

<https://legislation.nt.gov.au/Legislation/INFORMATION-ACT-2002>

#### *Ombudsman Act 2009*

<https://legislation.nt.gov.au/Legislation/OMBUDSMAN-ACT-2009>

#### *Public Sector Employment and Management Act 1993*

<https://legislation.nt.gov.au/Legislation/PUBLIC-SECTOR-EMPLOYMENT-AND-MANAGEMENT-ACT-1993>

#### *Telecommunications (Interception) Northern Territory Act 2001*

<https://legislation.nt.gov.au/Legislation/TELECOMMUNICATIONS-INTERCEPTION-NORTHERN-TERRITORY-ACT-2001>

### NT Websites

Independent Commissioner Against Corruption: <https://icac.nt.gov.au/>

Ombudsman: <http://www.ombudsman.nt.gov.au/>

Information Commission: <https://infocomm.nt.gov.au/>

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