

26 July 2017

Robert Bradshaw PSM
Director
Policy Coordination
Solicitor for the Northern Territory
Department of the Attorney-General and Justice
GPO Box 1722, Darwin NT 0801

via email at Policy.AGD@nt.gov.au

Dear Mr Bradshaw

RE: Independent Commissioner Against Corruption Bill 2017

The Northern Territory Seafood Council is appreciative of the opportunity to provide comment on the draft Independent Commission Against Corruption Bill.

Efforts to improve trust and transparency around Government financial matters are strongly supported. As is the setting up of an independent body that can undertake investigations in a private matter to avoid unnecessary detrimental impacts on either an organisation or individuals.

Elements within the Bill of concern are discussed below; at the heart of these concerns are the disruption an investigation/review could pose to an organisation and the lack of transparency back to the organisation being investigated/audited.

Any organisation receiving any NT Government funding is subject to the proposed legislation. Consideration of a threshold/trigger for Incorporated Associations receiving NT Government funding is suggested. Whilst it is recognised that anti corruption and improper conduct is not appropriate for any level of NT Government funding, the implications of this legislation on organisations that may receive only a small amount of funding are significant with respect to confidentiality and the time/resources required to assist and investigation.

It is common for Incorporated Associations to have multiple revenue sources and it is not clear how the ICAC will deal with this complexity with respect to its investigation. It appears all financial revenue sources of an organisation under investigation by ICAC are subject to the proposed legislation.

As the legislation provides ICAC with broad powers, the primary concern is under what circumstances are these powers triggered. There must be checks and balances are their in place to test the validity of claims.

As a small not-for-profit organisation which already has systems in place to monitor and manage fraud in addition to an annual independent financial audit our primary concern for any further audit/inspection is the impact it has on the running of the organisation. Consideration of ways to assess the risk of corruption/improper for an organisation should be explored. For

example future NT Government funding may have reporting or contract requirements for processes/policies in place with relation to corruption and improper conduct.

Consideration of including a provision in the legislation that if an organisation has "prescribed" corporate governance procedures in place ICAC would need to provide reasonable evidence of wrongdoing prior to any audit/review commencing. This would at least provide some separation of organisations that are being compliant versus those that have no corporate governance procedures in place.

It appears that based on a third party a complaint can be made to the proposed ICAC which could trigger an audit or review of an organisation without the need to report on the findings of the review. There appears to be no guidance on how such complaints are assessed for validity and how/when is the organisation in question made aware of the nature of the complaint.

Further it is noted that following an audit or review ICAC is under no obligation to report back to the organisation or the Legislative Committee. It is the view of the NT Seafood Council that if an organisation is to be interrupted and its staff and resources required for provision of information and access to documents, then the findings of such investigations should also be shared with the organisation in question. It is suggested that ICAC reports back to an organisation within 30 days of notification of audit/review and every additional 30 days as long as an investigation is on foot.

Should you require any further information, please do not hesitate to contact us on 08 8981 5194.

Kind Regards



Daniel Kimberley
Chairman
Northern Territory Seafood Council