



## NSW Legislative Council Hansard

### Independent Commission Against Corruption Amendment (Operations Review Committee) Bill

Extract from NSW Legislative Council Hansard and Papers Tuesday 23 May 2006.

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#### Second Reading

**The Hon. JOHN DELLA BOSCA** (Minister for Finance, Minister for Commerce, Minister for Industrial Relations, Minister for Ageing, Minister for Disability Services, and Vice-President of the Executive Council) [5.02 p.m.]: I move:

That this bill be now read a second time.

As the speech has already been delivered in the other place, I seek leave to incorporate it in *Hansard*.

#### Leave granted.

The Operations Review Committee's primary role is to advise the Independent Commission Against Corruption before it makes a decision not to investigate a complaint or to discontinue an investigation.

In 2004, the Government commissioned Mr McClintock to review the Independent Commission Against Corruption Act. The terms of reference included reviewing the adequacy of accountability mechanisms for the Commission.

In his report in January 2005, Mr McClintock recommended that the Operations Review Committee be abolished and an Office of the Inspector of the Commission be created.

The Government established the Office of the Inspector which commenced operation on 1 July 2005.

The Inspector's principal functions are to audit the Commission's operations, deal with complaints about the Commission and review the Commission's procedures.

At that time, the Government retained the Operations Review Committee. The Government was concerned to allow the new accountability mechanism, the Inspector, to commence operations before considering further changes.

In 2000, when the previous ICAC Parliamentary Committee originally proposed the Inspector be established, it suggested that the need for the Operations Review Committee be reviewed after the Inspector operates for 12 months.

The Inspector has now operated for nine months. The Government considers, therefore, that it is now appropriate to implement Mr McClintock's recommendation and remove the Operations Review Committee.

The McClintock report stated that despite the skill and dedication of its members, the Operations Review Committee is a limited accountability mechanism.

He stated that the Inspector provides a structurally superior form of accountability than the Operations Review Committee for a number of reasons.

The reasons for this include the fact that the Inspector has greater access to the Commission's records, the Inspector is completely independent (whereas the Chair of the Operations Review Committee is the Commissioner of the Commission) and the Inspector reports to Parliament.

While the Inspector does not have the same function as the Operations Review Committee, the Government is of the view that he will achieve similar outcomes by ensuring that the Commission's practices and procedures are effective.

Certainly, Mr McClintock reported that the Inspector would provide a more effective accountability mechanism than the Operations Review Committee.

The Inspector is managing the volume of complaints well. He also has sufficient time and resources to focus appropriate attention on reviewing the Commission's procedures and on his auditing role.

This will ensure that a more systematic approach can be taken, improving the quality of the Commission's decision making processes.

Indeed, if there is a change in the pattern of complaints around the Commission's decisions, the Inspector could initiate an audit.

The Government agrees with Mr McClintock's view that proper accountability of the Commission does not require both the Inspector and the Operations Review Committee to continue to exist.

The establishment of the Office of the Inspector itself provides a sound accountability mechanism for the Commission.

The Inspector has confirmed that he does not object to the abolition of the Operations Review Committee.

I would like to thank the members of the Operations Review Committee for their dedication and thank them for their efforts to date.

I commend the bill to the House.