How Australia has tackled its public ethics crisis:
An overview of Australia’s National Anti-Corruption Commission (NACC), how the NACC became an electoral issue and what the lessons are for the UK.

Why was the NACC created?

Different Australian states and territories have been establishing dedicated state-level anti-corruption commissions since 1988, and each now has one. However, Australia did not have a dedicated or coordinated response to corruption and ethics at a national level until it established the National Anti-Corruption Commission in 2022.¹

The NACC was created after a series of political scandals which saw Australia slip from 7th to 18th in Transparency International’s Corruption Perceptions Index (CPI) between 2012 and 2021. The creation of an independent national-level agency was also a long-standing policy of the Australian Greens Party - the third largest political party by vote in Australia - since 2009.² In 2018, it also became the official position of the Australian Labor Party as well as loosely affiliated independent candidates.

Civil society has played a critical role in advocating for the NACC, as has the Australian judiciary. The progressive think tank, the Australian Institute, convened a group of judges in 2017 to form the National Integrity Commission which designed a set of principles for what a national level integrity commission should look like.³ Civil society groups such as Transparency International Australia and campaign groups like GetUp! also played a critical role in campaigning for the commission.

Who does the NACC regulate?

The NACC is a federal anti-corruption agency that is independent from government. Its mission is “to enhance integrity in the [Australian government] public sector by deterring, detecting and preventing corrupt conduct involving [Australian government] public officials through education, monitoring, investigation, reporting and referral.”⁴

The NACC’s remit is to investigate serious or systemic corrupt conduct involving Australian government public officials and government contractors. Its powers are retrospective so it can investigate conduct before it was established.⁵ It cannot investigate concerns relating to state, territory or local government officials.

“Public officials” includes ministers, parliamentarians, their staff and the heads, employees and any contractors or consultants of national level agencies. The NACC can investigate conduct of:

- any person that adversely affects a public official’s honest or impartial exercise of powers or performance of official duties;

---

¹ Australia Institute A National Integrity Commission: an idea whose time has come
² Parliament of Australia briefing What Might a National Integrity Commission Look Like?
³ Australia Institute National Integrity Committee
⁴ NACC Overview of the NACC
⁵ NACC What can the NACC investigate
- a public official where there has been a breach of public trust; abuse of office; or misuse of documents or information gained in their capacity as a public official.\(^6\)

The NACC has enormous reach. Most importantly it can investigate MPs and ministers. It is also responsible for detecting, investigating and reporting on corruption in almost all agencies performing official functions, or controlled or owned by the national government, including the Australian Federal Police, Australian Defence Force and the High Court (excluding judges) in particular, as well as enforcing broad anti-corruption standards across the public and political sectors at a national level.\(^7\)

While the NACC has subsumed responsibility for law enforcement integrity from a previous body,\(^8\) its anti-corruption work sits alongside other national bodies such as the Australian Public Service Commission, and the Independent Parliamentary Standards Commission.\(^9\)

**How is the NACC run and what is its oversight?**

The NACC is led by a Commissioner and up to three Deputy Commissioners. A minister recommends that someone be appointed as Commissioner or Deputy Commissioner - but only after their proposed recommendation has been approved by the Parliamentary Joint Committee on the NACC. The Commissioner, and at least two of the deputies, must be a retired judge or a legal practitioner of a senior Australian court. Commissioners hold office for a non-renewable term of five years; deputies may be reappointed for a second five-year term.

The NACC is overseen by the Parliamentary Joint Committee and an independent Inspector. The Committee considers reports about the NACC tabled in Parliament and the agency’s budget, among other matters, but does not review its operational decisions or activities. The Inspector can investigate complaints about, and allegations of corruption within, the NACC.\(^10\)

**What are the NACC’s budget and powers?**

In 2023/24, the NACC will receive AU$88.9 million (£46.4 million) to support its commencement and operations: AU$57 million (£29.8 million) from the government and AU$31 million (£16.2 million) in equity funding.\(^11\) The NACC has 239 staff in 2023/24.\(^12\) After initial start-up, its budget is expected to rise to be around £35 million annually.\(^13\) This resourcing reflects the fact that the agency has extensive powers requiring forensic expertise and a large number of national-level public officials in its remit.

The NACC can open investigations on its own initiative, or after referrals from members of the public or whistleblowers. Its investigative powers include:

- compelling any person to appear and give evidence at a hearing;
- entering certain premises and requiring information without a warrant;
- compelling people and organisations to provide documents and allow searches;
- conducting private hearings and, in exceptional circumstances, public hearings; and
- accessing covert investigative capabilities, like intercepting telecommunications.

The NACC can make findings of fact in relation to criminal and non-criminal corrupt conduct but it cannot determine criminal liability. However, it can make recommendations for specific

---

\(^6\) NACC [Overview of the NACC](https://www.nacc.gov.au/about/nacc-overview)

\(^7\) NACC [Who can the NACC investigate?](https://www.nacc.gov.au/about/who-can-nacc-investigate)

\(^8\) NACC [What is the NACC?](https://www.nacc.gov.au/about/what-is-nacc)


\(^10\) NACC [Accountability and reporting](https://www.nacc.gov.au/about/nacc-budget)

\(^11\) National Anti-Corruption Commission (May 2023) [Entity resources and planned performance](https://www.nacc.gov.au/about/nacc-budget)

\(^12\) National Anti-Corruption Commission (May 2023) [Entity resources and planned performance](https://www.nacc.gov.au/about/nacc-budget)

\(^13\) Australia Institute (October 2022) [Funding for the National Anti-Corruption Commission](https://www.nacc.gov.au/about/nacc-budget)
persons to be charged and for institutional reforms to be implemented. When it undertakes an investigation, it will make a report of its factual findings and must make a statement laying out whether it considers someone engaged in corruption or not.

**Progress to date**

The NACC publishes weekly updates on referrals, assessments and investigations. By 17 April 2024, the NACC had received 2,791 referrals, of which 2,185 had been excluded as not involving a public official or a corruption issue. Of the 264 assessed referrals, the NACC:

- decided to take no further action in 234 cases;
- referred 9 corruption issues to agencies for investigation or consideration;
- decided to investigate 16 corruption issues itself, and
- decided to investigate 5 corruption issues jointly with another agency.

As at April 2024, it is conducting 16 corruption investigations, including five joint investigations, and overseeing two investigations that it referred to other agencies. In addition, four of its cases have been before the courts, resulting in two convictions and one committal for a trial. Of these cases, two relate to law enforcement officials and one to a tax official. It is not clear whether the NACC has yet opened an investigation into a politician or parliamentarian.

The creation of the NACC was credited with resulting in a two point improvement for Australia in the Transparency International Corruption Perceptions Index.

**The NACC as an electoral issue**

Polling in Australia has shown consistently high support for the introduction of a dedicated national anti-corruption body. In March 2016, 65% of Australians supported the idea. In 2018, two thirds of Australians strongly supported a federal anti-corruption commission. This grew to 75% in April 2022, with 43% saying it was a major or top election issue.

Australia’s Labor made integrity - and the need for a national commission - a key electoral issue, in conjunction with a media and civil society campaign that involved polling, reports, public debates, open letters and other activities. In January 2018, Labor committed to establishing a federal integrity commission if it won the next election. In response, the Coalition government opened a consultation in December 2018 on a Commonwealth Integrity Commission (CIC).

Following a government consultation on its draft CIC legislation in 2020/21, the National Integrity Committee - an independent group of retired judges - warned that the government’s proposal:

“...falls disastrously short of providing an effective body to counter and expose corruption at a National level. Especially in relation to the examination of corruption in the public sector, this model will rightly be seen by the community as a sham, and as a deliberate political diversion designed to shield the public sector, and in particular politicians and their staff, from proper scrutiny and accountability. ... In our view, an ineffective commission is worse than no commission at all.”

---

14 NACC (17 April 2024) [Weekly update: referrals, assessment and investigations](https://example.com/)
15 NACC (17 April 2024) [Weekly update: referrals, assessment and investigations](https://example.com/)
16 Crikey (March 2024) [Revealed: The three people convicted after probes by the new federal corruption watchdog](https://example.com/)
17 The Guardian (March 2023) [Australia lifts ranking on global anti-corruption index after hitting record low](https://example.com/)
18 Cathy Madden, Parliamentary briefing [National integrity commission](https://example.com/)
19 Australia Institute (undated) [A National Integrity Commission: an idea whose time has come](https://example.com/)
20 Australia Institute (undated) [A National Integrity Commission: an idea whose time has come](https://example.com/)
21 Guardian (30 January 2018) [Labor promises federal integrity commission if it wins next election](https://example.com/)
22 Cathy Madden, Parliamentary briefing (undated) [National integrity commission](https://example.com/)
23 Australia Institute (8 March 2021) [National Integrity Committee submission on the CIC consultation](https://example.com/)
In 2019, Labor committed to legislating an integrity commission within 12 months if elected. In 2021, the year before the federal election, Anthony Albanese committed Labor to setting up a “powerful, transparent and independent NACC” with legislation by the end of 2022.\(^{24}\) Polling in four key electoral seats in 2021 found that the overwhelming majority of people supported the idea of a national integrity commission, and that it should have powers to hold public hearings and act on whistleblower complaints.\(^{25}\)

Integrity was a major issue for voters in the 2022 federal election. It was a key issue on which Labor distinguished itself from the Coalition, and which helped Labor to win in marginal seats. It was also one of the campaign focuses of a loosely affiliated group of independent candidates (known as ‘teals’\(^{26}\)) who won seats from the Coalition in areas - predominantly in inner-city upper middle class electorates - where they had never lost seats before.

There was strong public and cross-party support for the NACC when Labor took office. Albanese said in May 2022, “rebuilding trust in politics means demonstrating genuine accountability”.\(^{27}\) When Labor’s NACC bill was introduced in December 2022, Anthony Albanese and the Labor government enjoyed their highest approval rating since taking office.\(^{28}\)

Labor introduced the bill within seven months of taking office - although it was able to do so with the benefit of prior public consultation (the Coalition government consulted in 2018/19 to establish a national integrity commission\(^{29}\)) and a draft bill previously advanced by an independent MP. The Coalition and crossbench supported Labor’s NACC bill. Implementing the NACC was a significant win for Labor given the extent to which they had made integrity an election issue.

While the NACC has got underway, other political integrity reforms are increasingly being highlighted that need to accompany its creation. These include lobbying transparency, greater protections for whistleblowers, and political finance reform.

**What are the lessons for the UK?**

The UK has, like Australia, had numerous political scandals over the past five years which contributed to it dropping from 10th place in the Transparency International Corruption Perceptions Index in 2016 to 20th place in 2023.

Like in Australia, public trust in politicians has been falling, and perceptions that the UK has an increasing ‘corruption’ problem have been growing:

- Polling published by the UK Anti-Corruption Coalition in February 2024 found that 66% of voters believe UK politics is becoming more corrupt and 80% think some or all of the main political parties are corrupt and untrustworthy.\(^{30}\)
- Data released by the Office for National Statistics in March 2024 showed that only 12% of people trust political parties and only 24% trust Parliament.\(^{31}\)

---

\(^{24}\) Anthony Albanese (26 July 2021) Labor’s Powerful, Transparent and Independent National Anti-Corruption Commission

\(^{25}\) Australia Institute (8 September 2021) Landslide Support for Commonwealth Integrity Commission with Public Hearings and Whistle-blower Complaint Capability

\(^{26}\) The Guardian (May 2022) Teal independents: who are they and how did they upend Australia’s election?

\(^{27}\) PM Anthony Albanese (May 2022) Address to the National Press Club

\(^{28}\) news.com.au (Dec 2022) Labor releases internal review examining 2022 election victory

\(^{29}\) Australia Institute (undated) A National Integrity Commission: an idea whose time has come

\(^{30}\) UK Anti-Corruption Coalition (February 2024) Public reflections on dirty money and trust in politics

\(^{31}\) Office for National Statistics (1 March 2024) Trust in government, UK: 2023
Also similar to Australia, there is strong public appetite in the UK for reform to how politicians are policed:

- A Citizen Assembly run by the Constitution Unit in 2022 found that 95% of those involved thought the current mechanisms for ensuring politicians act with integrity were not working and that greater involvement of independent regulators was needed.\(^\text{32}\)
- Polling by Spotlight on Corruption in 2022 found that, by substantial margins, all voters wanted to see effective, wide-ranging reforms to the regulation of standards in public life\(^\text{33}\) including:
  - 76% of the public in favour of a new independent Ethics Commission to investigate and sanction politicians; regardless of party support; and
  - 79% of people in favour of independent regulators deciding on sanctions for ministers who break the rules.

**Is an anti-corruption agency like the NACC possible in the UK?**

Despite widespread appetite for reform in the UK, there is not the same level of political, academic and civil society consensus around the creation of a standalone anti-corruption agency along the lines of a NACC. For many experts, the creation of such an agency would be too complex, costly, and would take a significant amount of time and resources to achieve. Some believe that concentrating so much power in one body could represent a 'single source of failure'.

However, the Australian model shows that ambitious reform to how politicians are regulated is popular with the public, and can be an electoral asset. Furthermore, whilst the NACC is new, state and territory based anti-corruption commissions have enjoyed widespread popular support over decades and are regarded as very successful. Announcements by the Labour Party that they will create an Ethics Commission, and the recommendation from the Commission on the UK’s Future report for a new Independent Ethics and Integrity Commission to be created,\(^\text{34}\) are welcome steps towards this ambition.

There are models other than the Australian one for creating a more visible and independent form of ethics regulation in the UK, from establishing a convening body of standards regulators, to looking to Canada where conflicts of interests and post-employment rules of senior civil servants, ministers and parliamentarians are overseen by an independent Conflicts of Interest and Ethics Commissioner.\(^\text{35}\)

The Australian experience does have some important lessons for the UK, however. Although it’s too soon to draw firm conclusions about the success of the NACC, it’s already clear that:

1. putting a standards regulator/s on a statutory footing, with strong parliamentary oversight, powers of independent investigation and involvement of former senior judges as commissioners, can be a highly effective way to signal (and ensure) that politicians’ integrity will be policed effectively;
2. creating a Commission is not enough and needs to be accompanied by other reforms, including whistleblower protection, lobbying transparency, and political finance reform; and
3. acting decisively and with speed to a clear timeline is critical for the credibility of reforms.

---

\(^{32}\) Constitution Unit (November 2023) *The Future of Democracy in the UK*

\(^{33}\) Spotlight on Corruption (28 July 2022) *New polling reveals huge public support for raft of reforms to improve standards in public life*

\(^{34}\) Commission on the UK’s Future (December 2022) *A New Britain: Renewing Our Democracy and Rebuilding Our Economy*

\(^{35}\) See Spotlight on Corruption (2022) *What could a UK Integrity and Ethics Commission Look Like?*; Constitution Unit (2024) *Trust in Public Life: Restoring the Role of Constitutional Watchdogs*