



Australian Government

Australian Commission for
Law Enforcement Integrity

International Anti-Corruption Day

Developing the National Anti-Corruption Plan

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“Corruption Trends and Issues in the 21st Century – where to from here?”

Philip Moss, Integrity Commissioner
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Old Parliament House
Canberra ACT

CHECK AGAINST DELIVERY

INTRODUCTION

Thank you for the opportunity to participate in this panel session this important day for the international and national anti-corruption community.

Since corruption in government and business has such devastating effects on the lives of millions of people around the world, I'm sure that all of us here today are glad to be part of the effort to change that state of affairs, for the greater good.

In the same way, it is a privilege to work with all of you to begin the process of developing Australia's first National Anti-Corruption Plan.

PRELIMINARY REMARKS

Before turning to patterns and trends in corruption risk, I'd like to make some preliminary remarks that will provide context for my observations.

In a few weeks' time, the Australian Commission for Law Enforcement Integrity (or ACLEI as it is also known) will have been established for five years. When plans were being finalised for ACLEI's commencement in January 2007, it was thought that a staff of nine—including the Integrity Commissioner—would be sufficient resource to deal with the matters that were anticipated would come ACLEI's way. The government of the day envisaged that ACLEI would grow, if the evidence was there to justify it. Later governments (including the present one) have taken the same approach, and added resources, capabilities and jurisdiction, as the case has been made out.

These resources have not come because there is a corruption crisis to deal with. (Certainly, ACLEI is investigating some serious matters, but these corruption issues do not indicate a systemic failure in law enforcement agencies.) Rather, once a start was made to identify corruption risk and potential hot spots, it became apparent that some well-directed resources could add significant value to the integrity framework. Now, almost five years on, ACLEI has a full-time staff of 24, a cohort of casual assistants, and about another 15 people who are routinely made available to me by other agencies for task-forces and other purposes.

Our understanding of our purpose and impact has also developed. We have to catch the "bad apples", but our aim overall is to assist agencies to build their resistance to corruption.

FOUR OBSERVATIONS

This last point brings me to four observations about anti-corruption arrangements in general, and the National Anti-Corruption Plan in particular.

First, since corruption is a very broad topic, you need to know what specific harm you want to protect against. In ACLEI's case, we have a strong focus on detecting possible corrupt collaboration between law enforcement officers (on the one hand) and organised criminal groups (on the other). We call this potential collusion "the corruption handshake".

With the strengthened focus on targeting criminal groups, provided by the Organised Crime Strategic Framework, whereby they are regarded as another threat to national security, a new corruption risk emerged. ACLEI responded by working to ensure the integrity of the law enforcement agencies engaged in the front line. In this context, ACLEI is helping to guard the back door from infiltration and compromise.

Perhaps the Australian National Anti-Corruption Plan could adopt a similar strategic approach, whereby “national priorities” or “areas of focus” are identified. Setting agreed priorities would be the first step towards strengthening leadership and coordination, improving connections between agencies, and moving in common directions [see Attachment 1 for possible priorities].

Secondly, we are discovering that there is a science to designing anti-corruption arrangements that will work—it is not the case that one size fits all, or even that any one mechanism will be sufficient. Examples from elsewhere are always informative, but not determinative; making a copy of an anti-corruption arrangement in one jurisdiction will not guarantee its success in another. Some experience is needed to ensure systems are fine-tuned and working well. That is, we need to develop more experts in preventing corruption. To this end, ACLEI and law enforcement agencies have joined together in a Community of Practice to foster new skills and understanding.

Also, there is great scope for innovation, and I hope that is what we will get from the National Plan process. We need to think in the broadest way about what is needed. For instance, public service employment arrangements and privacy settings were developed in a different time and context—it may be that to counter the risk of criminal infiltration, we will need to ask whether those settings are still appropriate.

Accordingly, the National Anti-Corruption Plan will need to make provision for on-going, informed work that is designed to build resistance to corruption. Elaborate arrangements are not necessarily required, but these types of issue require ongoing focus and review.

Thirdly, to make sure that priorities are followed through, you need to champion the cause. In the case of Federal law enforcement integrity, that is a primary role of the Integrity Commissioner. The National Plan will need a champion too, since the mosaic approach of distributed responsibility, and the fact of Federation, means that coordination is required. In this regard, I welcome the role that the Attorney-General's Department is developing in Federal public sector integrity. The National Plan should consider further this question of integrity leadership.

Fourthly, since corrupt conduct exploits opportunities and vulnerabilities, you have to be alert to emerging threats and be prepared to alter your tactics accordingly. What worked at one time may need re-evaluation at another. For instance, the introduction this year of the Australian Customs and Border Protection Service to the ACLEI jurisdiction is a timely response to changes in the threat picture. Accordingly, we will want our National Plan to operate as a framework that can be updated regularly. We will also want a mechanism to collect information about changes in the threat picture, and I note that the Australian Crime Commission is already engaging with this challenge.

THREAT PICTURE

Let me turn now to what I see is changing in our corruption risk environment.

As we know, the present economic news in North America and Europe is troubling, but the relative strength of Australia's economy is good news for us. This prime position also means that there are profits to be made in Australia for criminal groups that trade in goods such as illicit tobacco and border controlled drugs. That is to say, we are a lucrative target for organised criminal gangs from overseas.

The experience in other western countries is that organised crime use aggressive tactics—such as grooming, softening and suborning individuals who are well-placed in organisations—to gain access to what the organised crime group needs, whether that is information or influence over decision-making. Large bribes can be offered. Infiltration or extortion can be used as methods. The conditions are developing in Australia for these tactics to be used here.

Australia generally, and the public service in particular, has a strong reputation for being relatively free of corruption. Perversely, this situation might cause the price of bribes to increase, it may mean that greater effort is used to compromise officers, and it may also mean that the corruption risk is displaced to softer targets in other agencies. (There is no escaping the risk when large profits are at stake.)

Accordingly, agencies working with law enforcement and protection of our borders are at a heightened risk. Even if the economic situation were to deteriorate here, the need for organised crime to exploit diverse markets is likely to keep Australian officials at risk of corrupt compromise.

I have given law enforcement examples so far, but global economic forces affect other sectors of the economy in similar ways. For instance, we must be alert to the prospect that Australians will engage in bribery of foreign public officials, or may try to evade mining royalties in other countries by using corrupt means. Meanwhile, back in Australia, a tight world economy and fierce competition for major public procurement contracts may also place at risk the integrity of such processes.

To underscore the point that corrupt practices are dynamic, we need to recognise that technological changes may introduce new opportunities for corruption. In the last two years, we have seen on-line sports betting create new incentives for match-fixing and corrupt spot-betting to take place. While this phenomenon is not a direct drain on our economy, it does offend our sense of fair play. It is pleasing to see Australian Governments respond quickly to this threat by proposing criminal sanctions and establishing a national sport integrity unit to coordinate action. It is a tailored solution for a unique problem, and I wonder if there is space for cultural issues like this one to strengthen our resolve against other forms of corruption.

As we progress into the Asian Century, and loosen our dependence on a carbon economy, there may be corruption challenges ahead of us that we have not yet considered.

WHERE TO FROM HERE?

In summary, I hope the National Anti-Corruption Plan will:

- set national priorities across key sectors of the economy, and develop solutions targeted to each one;
- encourage expertise in corruption prevention to be developed;
- facilitate discrete projects to strengthen integrity arrangements in innovative ways;
- marshal efforts in a common direction, perhaps by the establishment of a senior advisor role in government, and
- provide a framework and mechanism by which emerging threats can be monitored and responded to.

CONCLUSION

To conclude, let me return our thoughts to those who suffer as a result of corrupt practices. Tomorrow is United Nations' Human Rights Day. I draw for you a link with that topic, and the issues we are thinking about today.

Thank you.

National Priorities (draft)

Safeguard:

Money in	1. Processes for collection of the revenue
Money out	2. Major procurement
	3. Public service delivery of services/ benefits
Rule of law	4. Law enforcement and border integrity
	5. Licensing and regulation
	6. Judicial integrity
System of government	7. Electoral integrity
	8. Parliamentary integrity (and other politically exposed persons)
International reputation	9. Foreign Bribery (including Government Business Enterprises)
Culture	10. Sport

Why?

1. Protect the economy against leakage
2. Protect against misuse the sensitive information (including methods) held by governments
3. Ensure fairness and merit in government decision-making
4. Ensure fair access to markets
5. Ensure confidence in our system of government and legal systems
6. Safeguard our reputation for economic and political stability, thereby facilitating legitimate trade and investment