

**National Anti-Corruption Commission CEO, Mr Philip Reed, opening address to the Legal and Constitutional Affairs Committee Supplementary Budget Estimates 2025-26 hearing – 1 December 2025**

Thank you Chair and Senators for the opportunity to make an opening statement.

The Commission has been in operation for close to 2.5 years and continues to deliver on its mission to enhance integrity in the Commonwealth public sector through its 2 main lines of operation:

- deterring corrupt conduct through detection, investigation and exposure
- preventing corrupt conduct through education and engagement.

The Commission's jurisdiction is concerned with serious and systemic corrupt conduct by or affecting Commonwealth public officials. Most mistakes, maladministration and misconduct do not involve corrupt conduct and are not within the jurisdiction of the Commission. Furthermore, the Commission is not a complaints handling or dispute resolution agency; nor is it an administrative decisions review authority.

*Detection, investigation and exposure*

Since its commencement, the Commission has received a total of 6,533 referrals of which 5,556 (85%) have been assessed. During its second year of operations, the Commission finalised the assessment of 2,004 referrals in total.

Over the last 12 months there has been widespread and intensive investigatory activity by the Commission. As of 26 November 2025, the Commission:

- Is conducting 38 corruption investigations (including 11 joint investigations).
- Had finalised 11 investigations (10 when it became clear that corrupt conduct would not be found, and 1 where a corruption finding was made and a report provided to the Minister)
- Is overseeing or monitoring 23 investigations by other agencies

In addition, up to 9 November 2025, of the 22 ACLEI investigations inherited by the Commission, 12 have been finalised and 10 are ongoing consisting of 2 investigations that are still underway, 1 is under consideration by CDPP, 2 are currently before the courts, and 5 are undergoing finalisation.

Since our commencement 11 convictions have been secured, 10 in matters inherited from ACLEI and one in a matter commenced by the Commission post 1 July 2023, Operation Pelican.

Apart from the ACLEI legacy matters currently before the courts, a further matter has just commenced in the courts as a result of Operation Panton Hill/Operation Rottnest, a joint operation by the AFP, Defence and the Commission.

Operation Panton Hill/Operation Rottnest began in March 2025, after the AFP received a report of crime from the Department of Defence. It concerned irregularities identified through an internal investigation in relation to the awarding of contracts by Defence with a value of almost \$71 million to a Northern Territory business.

A Commonwealth employee, his spouse and two directors of a local building company were charged in November 2025 for allegedly conspiring to influence the awarding of tenders to their company, with the intention of dishonestly gaining a benefit from the Commonwealth, namely the Department of Defence. The joint operation remains an active investigation with inquiries continuing.

A sense of the extent of the detection and investigative work undertaken by the Commission during 2024-25 and up to 31 October 2025 can be gained from the statistics that 32 search warrants, 9 telephone intercept warrants, and 6 surveillance device warrants were obtained from courts; 257 notices or directions to produce documents were also issued.

Since 1 July 2023 the Commission has examined 56 witnesses in private hearings in 12 investigations. To support the welfare of individuals with whom we engage, we have recruited 2 witness liaison officers and engaged a service provider to provide witness support services.

Of the investigations underway during the 2024-25 reporting period:

- 7 concern the conduct of current or former parliamentarians, and 5 concern the conduct of current or former parliamentary staff
- 12 concern the conduct of current or former senior executive officials
- 7 concern the conduct of consultants or contractors
- 9 concern the conduct of law enforcement officials
- 20 relate to procurement
- 6 relate to recruitment
- 5 relate to entitlements
- 5 relate to corrupt conduct at the border
- 3 relate to grants
- 6 relate to misconduct in law enforcement.

#### *Education and Engagement*

From the referrals we receive and assess, and the matters we investigate, the domains in which we are seeing both the perception and, to a lesser extent, the actuality of corrupt conduct, can broadly be categorised as:

- procurement – the awarding of government contracts and supplier relationships
- recruitment – promotion and entitlements in the Australian Public Service
- decision making.

In all those areas, the perceived and actual mechanisms of corruption are typically:

- nepotism and cronyism – the preferring of family, friends and associates. In our Commonwealth Integrity Survey, nepotism and cronyism were the most common type of corruption.
- misuse of information – the misuse of official information to gain an advantage.

Much of what we see occurs at the interface of the public and private sectors. This reflects the proliferation over recent decades of the government's use of contractors and consultants and the outsourcing of functions of government to the private sector.

As the private sector is necessarily interested in and driven by profit, this interface inevitably creates a point of friction between the interests of the private sector and the public interest.

In response, the Commission has issued targeted guidance, including the release in September 2025 of a guide, *Conflicts of interest and corrupt conduct*, to assist all Commonwealth public officials to recognise, disclose, declare, monitor and manage real, apparent and potential conflicts of interest so that they do not create corruption risks. The Commission is also developing further materials to promote transparency and best practice in areas such as procurement processes, and ethical decision-making.

In our corruption prevention and education role, in our first 2 years we have conducted 244 presentations or engagements – with parliamentarians and their staffers, agency heads, public servants and the community. These activities build resistance to corrupt conduct and foster a culture of integrity across the Commonwealth public sector. In the current financial year through to 9 November 2025, the Commission has undertaken a further 51 presentations and engagements.

On 27 November, we released a guide *Government Business Enterprises: What the NACC means for you*. Commonwealth Government Business Enterprises (GBEs) are Commonwealth agencies within the jurisdiction of the National Anti-Corruption Commission. The guide is for GBE directors, officers, employees, contractors, consultants and advisors. It identifies corruption risks and vulnerabilities, how to prevent them, and when and how to refer suspected corrupt conduct to the Commission.

Next year, in September, the Commission will host the Australian Public Sector Anti-Corruption Conference (APSACC) in Canberra. With the theme ‘A strategic approach to integrity – culture, systems and accountability’, this will provide anti-corruption agencies, academics and practitioners – from across the federal, state and territory, public and private sectors – the opportunity to share their knowledge, experience and expertise.

#### *Transparency and secrecy*

There has been debate about the transparency of our work. While we publish regular statistics on referrals, assessments and investigations, to provide as much visibility as we can, corruption investigations rarely benefit from publicity, and our work is generally conducted in private: to protect investigations, safeguard witnesses and whistleblowers, prevent unfair damage to reputations and encourage cooperation – all in keeping with our Act.

As mentioned, we have conducted numerous private hearings. There is a misconception that other anticorruption commissions routinely hold public hearings, due to a handful of high profile matters. In fact, most corruption investigations and hearings are conducted out of the public eye. Under our legislation, we can only conduct public hearings in exceptional circumstances. In none of the 12 investigations which have so far proceeded to hearings has that threshold been crossed. Corrupt conduct is exposed through our reports and court outcomes.

As the Commission enters the next phase of its work, complex investigations will reach completion and the Commission’s operational achievements will gradually become more visible.

Thank you.