



OFFICE OF THE INDEPENDENT COMMISSIONER AGAINST CORRUPTION (NT)

Operation Pacific – corrupt conduct in recruitment

Section 55 of the *Independent Commissioner Against Corruption Act 2017* empowers me to make a public statement. I am satisfied that it is in the public interest that I make this public statement.

Following an investigation I have made findings that a public officer engaged in corrupt conduct on three separate occasions. For reasons which I will explain later, I will not identify that officer.

Findings

In 2013, the officer applied for, and was awarded, the position of Chief Financial Officer in a public body. The officer's application included reference to holding a particular tertiary qualification. No checks were conducted to verify whether that qualification was in fact held. The purported existence of that qualification figured in the selection panel's decision to recommend the officer's appointment.

The officer did not hold the qualification and the officer knew that when the application was submitted.

In 2017, the same officer applied for, and was awarded, the position of Chief Financial Officer in a public body. An essential requirement for the position was the holding of a relevant tertiary qualification as well as membership as a Chartered Accountant or Certified Practising Accountant (CPA). The officer's job application included reference to holding a particular tertiary qualification being a CPA. Both assertions were knowingly false.

Verification of the officer's qualifications was not sought until after the individual had been appointed to the position. The officer created false documents which purported to prove the existence of the qualification and membership as a CPA.

At that time, the officer also caused a purported statutory declaration to be provided to the public body. The purpose of the purported statutory declaration was to verify that the officer held the relevant qualification and was a CPA. I have been unable to determine how the purported statutory declaration came to be created. Nevertheless, the content of the purported statutory declaration ought to have raised suspicion as to its authenticity.

The purported statutory declaration:

1. used a Commonwealth of Australia template instead of the Northern Territory Government template;
2. made reference to sighting 'Personal ID' which is not further particularised;
3. referred to a qualification that was different to the qualification asserted in the public officer's resume;
4. referred to a 'memmordam[sic] of grades' and 'transcript of academic results' without further explanation;
5. did not comply with some of the requirements specified on the face of the template; and
6. contained a number of spelling errors.

In 2018, the same officer applied for the position of Chief Operating Officer in a public body. The officer's application included the same false representations about qualifications and membership as a CPA. No further checks were conducted to verify those claims. The officer was appointed to the position. The individual resigned from the position in 2020.

In 2020, the same officer applied for, and was awarded, a different position in a public body. There is insufficient evidence to prove that the public officer engaged in improper conduct on this occasion.

Corrupt conduct relevantly includes conduct that could impair public confidence in public administration and that involves dishonestly obtaining or retaining employment or appointment as a public officer. It also includes conduct of a public officer that constitutes reasonable grounds for dismissal, is connected to public affairs, and that involves dishonesty.

In this case, the officer's dishonest representations allowed that person to obtain employment as a Chief Financial Officer in 2013, a Chief Financial Officer in 2017 and a Chief Operating Officer in 2018. In each of those occasions, the officer's conduct amounted to corrupt conduct.

Publication of identity

I have not identified the individual involved. I have made that decision because of the statutory constraints on the publication of evidence obtained under compulsion. In this case I conducted examinations of the public officer and another person. I have placed heavy reliance upon the evidence obtained during those examinations in order to make my findings. Because I required each individual to answer questions asked of them at their examination, the ICAC Act prohibits me from publishing that evidence.

In my view, it would be unfair to publicly name, or otherwise identify, an individual as having engaged in corrupt conduct in circumstances where I cannot also explain the evidence, or at least some of the evidence, that supported my conclusion(s). That is particularly the case where the compulsorily acquired evidence figured prominently in my considerations.

A salutary lesson

In July 2022, I prepared a General Report which was tabled in Parliament. In that report, I commented upon the corruption risks associated with recruitment. Those risks include the risks that arise where proper checks are not undertaken to verify the background and qualifications of an applicant. While I recognise that such checks create an additional resource burden during a recruitment process, these events represent a glaring example of why those checks are so important. All public officers should take note.

I have already made some recommendations in respect of this matter. I intend to make further recommendations. Those recommendations are, and will be, directed towards ensuring public bodies have robust processes in place for recruitment. In particular, there must be greater accountability imposed upon members of a selection panel to ensure that adequate verification checks have been undertaken. The extent of verification ought to be contingent upon a risk based assessment of the role which is to be filled.

I am confident that this is not an isolated incident.

Accordingly, I ask that all public bodies audit the personnel records of public officers whose employment or appointment is contingent upon the holding of a particular qualification.

Where records are deficient, steps should be taken to verify those qualifications.

Any anomalies identified should be reported to me.

I do not intend to comment further as to the particulars of this investigation.

Michael Riches

Independent Commissioner Against Corruption