

ffice of the Inspector of the Independent Commission Against Corruption

Annual Report 2015 - 2016







GPO Box 5341
SYDNEY NSW 2001
T: 61 2 9228 5260
oiicac_executive@oiicac.nsw.gov.au

28 October 2016

The Hon Donald Harwin MLC President Legislative Council Parliament House Sydney NSW 2000 The Hon Shelley Hancock MP Speaker Legislative Assembly Parliament House Sydney NSW 2000

Dear Mr President & Madam Speaker

In accordance with section 77B of the *Independent Commission Against Corruption Act 1988* ("the *ICAC Act*"), I, as the Inspector of the Independent Commission Against Corruption, hereby furnish to each of you for presentation to the Parliament the Annual Report of the Inspector for the year ended 30 June 2016.

This report has been prepared in accordance with the requirements of the ICAC Act.

Pursuant to section 78(1A) of the *ICAC Act*, I recommend that the report be made public forthwith.

Yours sincerely

The Hon. David Levine AO RFD OC

Inspector: ICAC

Inspector of the Independent Commission Against Corruption

GPO Box 5341, Sydney NSW 2001

T: (02) 9228 5260 | E: oiicac executive@oiicac.nsw.gov.au

Table of Contents

PART 1	THE INSPECTOR'S ROLE AND FUNCTIONS
1.1	FOREWORD & PRELIMINARY OBSERVATIONS1
1.2	1
1.3	NEW LEGISLATION AND OTHER LEGAL DEVELOPMENTS
1.4	S.77A REPORT IN OPERATION "HALE" - ICAC re MARGARET CUNNEEN SC & ORS2
1.5	REPORT TO THE PREMIER:INSPECTOR'S REVIEW OF THE ICAC
1.6	ROLE OF THE INSPECTOR
1.7	INSPECTOR'S POWERS UNDER THE ICAC ACT
PART 2:	OTHER RELEVANT LEGISLATION
2.1	GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009 NO 52 (GIPA ACT)5
2.2	THE PUBLIC INTEREST DISCLOSURES ACT 1994 (PID ACT)
2.3	TELECOMMUNICATIONS (INTERCEPTION AND ACCESS) ACT 1979 (CTH) (TIA ACT)
PART 3:	THE OFFICE OF THE INSPECTOR OF ICAC
ADMIN	STRATION9
3.1	PREMISES9
3.2	STAFF
3.3	BUDGET AND FINANCE9
PART 4:	LIAISON AND COMMUNICATION
4.1	LIAISON WITH THE ICAC10
4.2	MEETINGS/CONFERENCES UNDERTAKEN BY THE INSPECTOR
4.3	
4.4	WEBSITE
PART 5:	THE INSPECTOR'S STATUTORY FUNCTIONS
5.1	AUDITING THE OPERATIONS OF THE ICAC [SECTION 57B(1)(A)]
5.2	AUDITS CONDUCTED IN THE PERIOD 1 JULY 2015 TO 30 JUNE 2016
5.3	COMPLAINTS [Sections 57(1)(b) and 57(1)(d)
5.4	PERIOD 1 JULY 2015 to 30 JUNE 2016: NEW MATTERS
5.5	MATTERS CARRIED OVER FROM 2014-2015 REPORTING YEAR
5.6	MATTERS CARRIED OVER FROM 2013-2014 REPORTING YEAR
PART 6:	CONCLUSION



PART 1: THE INSPECTOR'S ROLE AND FUNCTIONS

1.1 FOREWORD & PRELIMINARY OBSERVATIONS

As I noted in my last Annual Report, I, as Inspector, am accountable to the Parliament. It is, in my opinion, concomitant with the powers and functions allocated to me that I take steps to ensure that the institution of the ICAC itself enjoys respect and high standing in the community. The people of New South Wales can have little confidence in the capacity of the ICAC to carry out its mandate if its reputation is inconsistent with the authority that the ICAC should enjoy by the proper performance of its functions.

1.2 Whilst the *Independent Commission Against Corruption Act* 1988 requires the furnishing of the Report to the Parliament in accordance with s.77B, I shall take the approach throughout this Report of extending the period beyond the 30th of June if by so doing, in any given area, some finality, watershed or other significant conclusive point has been reached in relation to some matter.

1.3 NEW LEGISLATION AND OTHER LEGAL DEVELOPMENTS

My Annual Report for the period ended 30 June 2015 dealt with the enactment of the *Independent Commission Against Corruption Amendment (Validation) Act* 2015 ("the Validation Act") which commenced on 6 May 2015. The amendment was in response to the decision of the High Court of Australia in *ICAC v Cunneen & Ors* [2015] HCA 14.

I made reference in my last Annual Report to the Independent Panel's Report which was presented to the Premier on 30 July 2015. Consequent upon recommendations made in the Report, of significance in this reporting period was the passing of the *Independent Commission Against Corruption Amendment Act* 2015. The amendments related principally to Recommendation 3 and election funding. That legislation came into operation on 28 September 2015.

1.4 S.77A REPORT in Operation "Hale"- ICAC re Margaret Cunneen SC & Ors

This Report was furnished by me to the Parliament under Section 77A. The full Report is available on the website at <u>oiicac.nsw.gov.au/reports/special reports</u> under section 77A.

1.5 Report to the Premier: Inspector's Review of the ICAC

On 12 May 2016, I published my Report to the Premier. I made recommendations. The full Report is available on the website at oiicac.nsw.gov.au/reports/other reports.

I was not required to deliver the Report to the Premier before its publication.

Consequent upon my report on 1 June 2016, the Joint Parliamentary Committee announced that it would be conducting an inquiry into my report. The terms of reference are:

That the Committee on the Independent Commission Against Corruption ('ICAC') review and report on the ICAC Inspector's Report to the Premier: The Inspector's Review of the ICAC dated 12 May 2016; with particular regard to:

- the extent, nature and exercise of the ICAC's current powers and procedures including the rationale for and conduct of investigations and public hearings, and possible options for reform;
- 2) the current structure and governance of the ICAC, best practice models adopted by other integrity institutions, and possible options for reform;
- 3) the current oversight arrangements for the ICAC, including the role, powers and resourcing of the ICAC Inspector, and possible options for reform;
- 4) whether the outcome of legal action taken in response to the ICAC's corrupt conduct findings is adequately reflected on the public record; and possible options for reform;
- 5) any other related matters.

In conducting its inquiry the Committee will take into account relevant reports and documents impacting on the terms of reference, in particular:

- a. the report of the Hon Murray Gleeson AC, QC and Mr Bruce McClintock SC,
 Independent Panel Review of the Jurisdiction of the Independent
 Commission Against Corruption, dated 30 July 2015;
- the report of Mr Andrew Tink AM, Review of Police Oversight, dated 31 August 2015;
- c. any report of the ICAC Inspector recommending changes to the ICAC's practice and procedure.

Approximately 28 written submissions including three confidential submissions were delivered to the Joint Parliamentary Committee and made available on its website shortly prior to the hearings it resolved to conduct on the 8th and 9th of September 2016, save for the confidential material.

Nine persons were called to give evidence on Thursday the 8th of September including myself and on the 9th of September 10 people were required to attend.

There, as at the time of the delivery of this Report, the matter rests.

1.6 ROLE OF THE INSPECTOR

The Inspector's role and functions are prescribed under Part 5A of the *ICAC Act*. Under section 57A of the *ICAC Act* the Inspector is appointed by the Governor of NSW. A Committee of the NSW Parliament comprising representatives of all political parties and independent members called "The Committee on the Independent Commission Against Corruption" ("the Committee") is empowered to veto the proposed appointment which is required to be referred to the Committee by the Minister.

"The Minister" referred to above, and below under section 57B(2) of the *ICAC Act*, is the Premier of New South Wales.

The principal functions of the Inspector are set out in section 57B(1) of the *ICAC*Act. These are to:

- Audit the operations of the Commission for the purpose of monitoring compliance with the law of the State, and
- Deal with (by reports and recommendations) complaints of abuse of power, impropriety and other forms of misconduct on the part of the Commission or officers of the Commission, and
- Deal with (by reports and recommendations) conduct amounting to maladministration (including, without limitation, delay in the conduct of investigations and unreasonable invasions of privacy) by the Commission or officers of the Commission, and
- Assess the effectiveness and appropriateness of the procedures of the Commission relating to the legality or propriety of its activities.

The definition of maladministration is set out under section 57B(4) of the ICAC Act as follows:

action or inaction of a serious nature that is:

- a. Contrary to law, or
- b. Unreasonable, unjust, oppressive or improperly discriminatory, or
- c. Based wholly or partly on improper motives.

Section 57B(2) of the *ICAC Act* enables the Inspector to exercise the prescribed statutory functions on the Inspector's own initiative, at the request of the Minister, in response to a complaint made to the Inspector, or in response to a reference by the Joint Committee or any public authority or public official.

Section 57B(3) of the *ICAC Act* provides that the Inspector is not subject to the Commission in any respect. The importance of this provision must never be overlooked.

Under section 77A of the *ICAC Act* the Inspector may make special reports on any matters affecting the Commission or on any administrative or general policy matter relating to the functions of the Inspector.

Under section 77B of the *ICAC Act* the Inspector is required to report annually to Parliament. Both of these reports are to be made to the Presiding Officer of each House of Parliament.

1.7 INSPECTOR'S POWERS UNDER THE ICAC ACT

Section 57C of the *ICAC Act* establishes the powers of the Inspector.

The Inspector may investigate any aspect of the Commission's operations or any conduct of any officers of the Commission.

Section 57D of the *ICAC Act* empowers the Inspector to make or hold inquiries for the purposes of the Inspector's functions. Under section 57D(2) any inquiry made or held by the Inspector under this section provides the Inspector with the powers, authorities, protections and immunities of a Royal Commissioner as conferred by Division 1of Part 2 of the *Royal Commission Act* 1923 (*NSW*), with the exception of section 13 of that Act. There have been no inquiries held pursuant to section 57D to date.

PART 2: OTHER RELEVANT LEGISLATION

2.1 GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009 NO. 52 (GIPA ACT)

The Government Information (Public Access) Act 2009 ("GIPA Act" or "GIPA") came into force on 1 July 2010 replacing the Freedom of Information Act 1989. Information concerning the Inspector and the ICAC's statutory functions are exempt from being released under an access application made under the GIPA Act.

Under Schedule 1 of the *GIPA* Act, an access application made for access to any information relating to the ICAC's corruption prevention, complaint handling, investigative or reporting functions will not be granted.

Under Schedule 2 of the GIPA Act an access application made for access to any information relating to the auditing, complaint handling, investigative and reporting functions of the Inspector of the ICAC will not be granted.

Applications for access to information made in respect of the Inspector's administrative functions (for example, human resources policies and practices) may be granted. Such applications will be assessed on a case by case basis.

In compliance with section 125 of the *GIPA Act* the Inspector advises that there were no access applications made under the *GIPA Act* to the Inspector during the current reporting period.

As required under section 20 of the *GIPA Act*, Publication Guidelines, have been published by the Inspector. These Publication Guidelines are available on the Office of the Inspector of ICAC website: www.oiicac.nsw.gov.au.

The Publications Guidelines provide information about the Inspector's functions and the structure of the Office and other matters as required by section 20, namely:

- The ways in which the functions of the Inspector affect members of the public
- Any arrangements which exist to enable members of the public to participate in the formulation of the Inspector and the Office's policies and the exercise of the Inspector's functions
- The various kinds of government information held by the Office
- The kind of government information held by the Office that the Inspector makes or will make publicly available
- The kinds of information that are or will be made available free of charge or those for which a charge will be imposed.

Under section 7(3) of the GIPA Act, the Inspector advises that he has conducted an annual review of his program to proactively release information which is in the

public interest. All information which is publicly available is contained on the Office website.

In compliance with section 7(a) of the *GIPA Regulation* the Inspector advises that the web site content was reviewed to assess what, if any, further information could be pro-actively released. Furthermore, the Inspector reviewed all categories of administrative information which is published in previous Annual Reports and audit reports to assess what, if any, further information could be pro-actively released. Whilst no new information was released, existing information was updated to ensure currency and relevance. It is a process of ongoing review.

2.2 THE PUBLIC INTEREST DISCLOSURES ACT 1994 (PID ACT)

The Public Interest Disclosures Act 1994 ("the PID Act") provides for public servants and other public officials to report serious wrong doing in public sector agencies on a confidential basis. Under the PID Act complaints or allegations made by public servants and public officials are called disclosures. The PID Act provides for public servants and public officials making disclosures to be protected against actual or potential reprisals.

The Inspector is an eligible authority to whom a public disclosure can be made under the *PID Act*.

Pursuant to section 6D(1) of the *PID Act* the Inspector has developed policies and procedures for receiving, assessing and dealing with public interest disclosures. These policies and procedures as well as the Inspector's Statement of Commitment to the *PID Act* are available for viewing on the Office's website at www.oiicac.nsw.gov.au.

The following information, relevant to the current reporting period, is provided pursuant to section 31 of the *PID Act* and clause 4 of the *Public Interest Disclosures Regulation 2011:*

- a) The number of public officials who have made a public interest disclosure to
 me 1
- b) The number of public interest disclosures received by me relating to each of the following:
 - i. corrupt conduct only- 0
 - ii. maladministration and/or corruption 1
 - iii. serious and substantial waste of public money or local government money (as appropriate) – 0
 - iv. government information contraventions- 0
 - v. local government pecuniary interest contraventions- 0

2.3 TELECOMMUNICATIONS (INTERCEPTION AND ACCESS) ACT 1979 (CTH) (TIA ACT)

The Inspector is included as an "eligible authority" for the purposes of the Telecommunications (Interception and Access) Act 1979 (Cth) ("TIA Act"). In accordance with reporting requirements under sections 96(1) and 159(1) of the TIA Act, the Commonwealth Attorney-General's Department was advised by me that there was nil usage of the relevant provisions of the TIA Act during the current reporting period.

I did, however, rely upon section 68(eb) of the *TIA Act* to request lawfully intercepted information from another agency in connection with my investigation of a complaint about the conduct of ICAC in a particular operation.

PART 3: THE OFFICE OF THE INSPECTOR OF ICAC

ADMINISTRATION

3.1 PREMISES

The contact details are:

Postal address:

GPO Box 5341, Sydney, NSW, 2001

Telephone:

(02) 9228 5260

E-mail:

oiicac executive@oiicac.nsw.gov.au

3.2 STAFF

The staffing structure of the Office consists of two part-time employees— an Executive Support Officer and a Principal Legal Advisor. They are the same persons who are employed in the PIC Inspectorate.

On 17 February 2016, John Nicholson SC was appointed the inaugural Assistant Inspector of the ICAC (s.57AA of ICAC Act). He is a former Senior Public Defender and a retired District Court Judge.

3.3 BUDGET AND FINANCE

The Office of the Inspector is a cost centre within the NSW Department of Premier and Cabinet (DPC).

The statement for the period from 1 July 2015 to 30 June 2016 shows a total expenditure of \$587,283. This compares with a total expenditure of \$397,378 in the prior year. The budget for 2016-2017 is \$499,134.

Inspector's remuneration: An annual retainer of \$10,000. (This is in addition to the annual retainer of \$10,000 received as Inspector of the Police Integrity

Commission). As from 22 June 2016, a daily rate of \$1,870. (This is paid to cover the work done for <u>both</u> Offices-Inspector of ICAC and Inspector of PIC).

The Assistant Inspector receives a daily rate of \$1,870.

Upon the anomaly of the Assistant Inspector, upon appointment, being remunerated at a higher rate than the Inspector being drawn to the attention of Mr Paul Miller of the DPC, the matter was then referred to the Statutory and Other Offices Remuneration Tribunal (SOORT), surprisingly. (I was under the impression that the anomaly arose by reason of oversight). In any event SOORT reported on the 15th of April and having expressed the view that the Inspector of the ICAC would appear to be receiving a level of remuneration which was appropriate and not inconsistent with cognate positions in other States, the ultimate result was that it was appropriate for the Inspector to be paid on the basis of an Acting Supreme Court Judge. The rate for an Acting Supreme Court Judge was \$1,870 per day and that had been fixed on the 1st of July 2015.

The Inspector was appointed on a "part-time" basis and the Assistant Inspector is required to work at least three days per week.

It is still anomalous that the Inspector of the ICAC from the 22nd of June 2016 is remunerated at the same rate as the Assistant Inspector.

The Assistant Inspector is only Assistant Inspector of the ICAC and has no functions in relation to the PIC.

PART 4: LIAISON AND COMMUNICATION

4.1 LIAISON WITH THE ICAC

Liaison with the ICAC is conducted in accordance with the terms of a memorandum of Understanding ("MOU") agreed between the Inspector and the Commissioner. The purpose of the MOU is to ensure that communications

between the Inspector's office and the ICAC are conducted at an appropriate level.

The MOU was executed on the 29th of May 2015 with minor revisions to that which preceded it.

There have been no meetings between the Inspector and the Commissioner or any other ICAC executive or senior officer during the reporting period.

There has been a most valuable development in the communication between the Inspectorate and the ICAC consequent upon correspondence in or about May of this year. The development is that the ICAC now provides to my Office on a monthly basis the latest Investigation Management Group reports. This to some extent coincides with the procedures that had been in place between the Inspector and the Police Integrity Commission. The advantage is that the Inspector has some insight into the progress of the business of the ICAC, to put it into general terms.

4.2 MEETINGS/CONFERENCES UNDERTAKEN BY THE INSPECTOR

Date	With Whom	Where	Purpose
2015 July 28	Paul Miller, Wayne Evans and Karen Smith of DPC	OIICAC office	Discussions around funding of the office
August 7	ICAC Committee	NSW Parliament	Inquiry Into Operation Hale
Sept 23	Karen Smith, Deputy General Counsel	OliCAC office	Appointment of Assistant Inspector
Nov 12	ICAC Committee	NSW Parliament	Informal meeting re OIICAC Annual Report
Dec 15	Tom Payten of Premier's office, Paul Miller and Julia Carland of DPC	OIICAC office	Re Report to Premier and appointment of Assistant Inspector
March 14	ICAC Committee	NSW Parliament	Parliamentary Inquiry into Op Hale

May 16	IBACC (Victorian	NSW Parliament	Closed hearing to assist
	Parliamentary		IBACC in gaining an
	Committee)		understanding of how
1			anti-corruption bodies,
			inspectorates and
			equivalent
ļ			parliamentary oversight
		·	bodies operate in other
			states and territories.
June 8	Assistant Inspector John	Conference Room	Inspectors' meeting
	Nicholson SC; the Hon	at Sheraton on the	
	Michael Murray AM QC,	Park, Sydney	
	Parliamentary Inspector		
	of Corruption and Crime		
	Commission (WA), Paul		
	Favell, Parliamentary		
	Crime and Corruption		
	Commissioner (QLD)		

4.3 The meeting on the 8th of June referred to above was the second such Inspectors' meeting, the first having been organised last year on the initiative of the Hon Michael Murray AM QC from Western Australia, as reported on in my last Annual Report. The one day event permitted each Inspector to outline in brief matters of interest arising in each Office in the past 12 months and since our last meeting on 7 May 2015.

4.4 WEBSITE

The Inspector's website is managed by the Office. The website address is www.oiicac.nsw.gov.au. The website of the Office of the Inspector of the ICAC is regularly updated and contains all relevant statutory and other information for members of the public.

PART 5: THE INSPECTOR'S STATUTORY FUNCTIONS

5.1 AUDITING THE OPERATIONS OF THE ICAC [Section 57B (1)(a)]

The ICAC is invested with compulsory powers to seek and obtain information under sections 21, 22, 23 and 35 of the *Independent Commission Against Corruption Act* 1988 ("the ICAC Act"). In addition there is the power to apply for and execute search warrants under Division 4 of part 4 of the ICAC Act and Division 4 part 5 of the *Law Enforcement (Powers and Responsibilities) Act* 2002. It is further empowered to apply for and execute surveillance device warrants pursuant to the *Surveillance Devices Act* 2007 ("the SD Act"). Such warrants include listening device, data surveillance, optical surveillance and tracking surveillance.

The use of these powers can impinge upon the civil rights of those persons affected. A person can be the object of scrutiny by a surveillance device without his or her knowledge. This means that he or she lacks the opportunity to complain of any unjustified use of such a device.

5.2 AUDITS CONDUCTED IN PERIOD 1 JULY 2015 TO 30 JUNE 2016

I did not conduct any formal audits.

5.3 COMPLAINTS [Sections 57(1)(b) and 57(1)(d)]

The Inspector is authorised to deal with complaints of abuse of power, impropriety, maladministration and other forms of misconduct only on the part of the ICAC or its officers or former officers.

Maladministration is defined as action or inaction of a serious nature that is contrary to law or unreasonable, unjust, oppressive or improperly discriminatory or based wholly or partly on improper motives.

There is no power for the Inspector to deal with complaints against other bodies. Furthermore, there is no power for the Inspector to compel the ICAC to investigate or not to investigate a particular complaint nor is there power to tell the ICAC how an investigation should be conducted.

A substantial proportion of complaints involve matters in which the ICAC declined to investigate or make a finding of corruption. In effect the complainant seeks to appeal against the decision of the ICAC. When assessing such complaints the Inspector's objective is to determine whether there was any evidence of the ICAC engaging in the type of misconduct prohibited by the ICAC Act. Consequently, when considering such complaints the focus must be on whether the conduct of ICAC amounts to misconduct of the type described above. In the course of looking at this focus, the conduct of those against whom complaints to the ICAC were initially made is considered, but only in the context of whether there was evidence of corruption on which the ICAC could have taken more action than it did and, if it could, whether its failure to do so amounts to such misconduct.

Each complaint received is assessed and a decision is made as to whether it is out of jurisdiction, whether there is any substance to the complaint and, whether it warrants investigation.

5.4 PERIOD 1 JULY 2015 TO 30 JUNE 2016: NEW MATTERS

There have been 33 new complaints received in the reporting period. This compares with 60 in the last reporting period.

Of the 33 new complaints received in the reporting period, 18 were closed and 15 have been carried over to the 2016/2017 reporting period.

Of the 18 closed:

 7 were complaints about ICAC deciding in each instance not to investigate the complaint. I was satisfied that in all those matters, the ICAC officers involved in the assessment of the allegations considered all the material provided by the particular complainant and that after proper consideration of its powers and taking into account the law with respect to what amounts to corrupt conduct, it formed the view that there were insufficient details to support the allegations of corrupt conduct. I was also satisfied that ICAC made its determination within a reasonable period of time. I noted that whilst the complainants may feel aggrieved by the ICAC's decision not to investigate or that the complainant does not agree with it, is not sufficient for me to make an adverse recommendation or report about the ICAC or its officers.

- 8 did not invoke my jurisdiction. 2 were prior complainants whose complaints had been considered by the previous Inspector. No new information was provided and thus the previous Inspector's decision stood.
- 2 invoked my jurisdiction but after making relevant inquiries with ICAC, no further action was warranted on my part and the complaints were not upheld.
- 1 related to a complaint arising from ICAC's investigation in Operation
 Hale. As noted earlier in this Report, my s.77A Report in Operation Hale
 was delivered on 4 December 2015. I found that in relation to a number
 of matters, ICAC had engaged in misconduct and maladministration. This
 complaint was thus upheld.

5.5 MATTERS CARRIED OVER FROM 2014-2015 REPORTING YEAR

There were 38 matters carried over from the previous reporting period. Of those carried over, 10 were closed.

Of the 10 closed:

 5 did not activate my jurisdiction. In 3 of the matters, the author of the communication to me made general comments about ICAC by way of submissions for my consideration as Inspector. In the remaining 2 matters, the complainants had had corrupt conduct findings made against them in an ICAC Report but were later found not guilty in the prosecution arising from the ICAC investigation. My jurisdiction was not activated in those matters as I do not have the power to overturn a corrupt conduct finding by ICAC. I note that the situation whereby a person is found not guilty of an offence arising from an ICAC investigation but is still found to be corrupt on the public record, has been the subject of much debate in the recent Parliamentary inquiry arising from my Report to the Premier and in particular, in response to my recommendation 15 as to an "exoneration protocol".

- 3 were complaints about ICAC deciding in each instance not to investigate the complaint. I was satisfied that in all those matters, the ICAC officers involved in the assessment of the allegations considered all the material provided by the particular complainant and that after proper consideration of its powers and taking into account the law with respect to what amounts to corrupt conduct, it formed the view that there were insufficient details to support the allegations of corrupt conduct. I was also satisfied that ICAC made its determination within a reasonable period of time. I noted that whilst the complainants may feel aggrieved by the ICAC's decision not to investigate or that the complainant does not agree with it, is not sufficient for me to make an adverse recommendation or report about the ICAC or its officers.
- 1 related to alleged "leaks" to the media by ICAC. After making relevant
 inquiries of ICAC, I found that there was no evidence that ICAC or any of its
 officers had passed on confidential information to the media and thus the
 complaint was not upheld.
- 1 related to a complaint arising from ICAC's investigation in Operation Hale and in particular, in relation to ICAC's media release of 27 May 2015. I found in my s.77A Report in Operation Hale that ICAC had abused its power and engaged in maladministration when it issued its media release in the form that it did. Thus I upheld this complaint.

There are 28 matters from the 2014-2015 reporting year which remain open: 8 relate to Operation Jasper; 1 to Operation Acacia and 17 to Operations Spicer/Credo. As I noted in my last Annual Report, in relation to Operations Jasper and Acacia many of the complaining parties have gone to the press and have gone to law. The latter course of action has operated as a brake, as it were, on my assessment of the communications in relation to those ICAC operations. I add that such are the nature and dimensions and thoroughness of the communications made to me in connection with what I in shorthand will refer to the "coal industry" or "mining matters", it would require the expenditure of time and increase in resources almost to the point where the Inspector of ICAC would have to mirror the resources and time spent by that body in coming to its findings in those matters. This would reflect in my opinion an unsatisfactory lack of proportionality.

In relations to Operations Spicer and Credo, in addition to communications reflecting the themes to which I have referred above, were communications connected with the fact that the ICAC had produced no reports and no findings in relation to the subject matter of its investigations.

On 30 August 2016, the Report in Operation Spicer was published. This means that I am now in a position to assess at least some of the communications arising from Operation Spicer. As at the time of the delivery of this annual report I do not know when there will be a report published in Operation Credo as this is subject to the finalisation of the prosecution arising from Operation Jasper.

During the relevant years when parties who were otherwise complainants to me in my capacity as Inspector but who also had initiated litigation in relation to virtually the same issues, I deferred taking any action in order to avoid interference with the prosecution of the litigation in the Supreme Court or elsewhere.

5.6 MATTERS CARRIED OVER FROM 2013-2014 REPORTING YEAR

There was 1 final matter outstanding from the 2013-2014 Reporting period. I did not report on this matter in my last Annual Report as at that particular point in time, the complaint related to a current ICAC investigation and I did not want to be seen as compromising or interfering in its operational matters. The complaint principally concerned the refusal by ICAC to provide to the complainant a copy of his diaries produced by him in response to a section 26 Notice. There were differing accounts as to how ICAC came into possession of the diaries and I make no finding that any particular ICAC officer abused power, engaged in misconduct or maladministration. The relevant investigation has been closed by ICAC and the diaries returned.

PART 6: CONCLUSION

In my conclusion to the Annual Report for the Year 2014-2015 I declined to make any prognostication as to the Year 2015-2016. Again I make no prognostication as to the Year 2016-2017. It may be that some structural changes at least in relation to staffing may be effected by the enactment of what is presently the Law Enforcement Conduct Commission Bill 2016; any further appeals to higher Courts by litigants in major matters and finally, of course, my Term of Office and that of the Assistant Inspector expires on the 31st of January 2017. Whether or not by that time, there will have been any report from the Joint Parliamentary Committee is a matter, also, of speculation.

The Hon David Levine AO RFD QC

INSPECTOR ICAC

October 2016