

FRAUD AND CORRUPTION

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SCOPE

This Policy applies to all Tourism Australia Directors, staff and contractors globally.

POLICY

Under the Public Governance, Performance and Accountability (PGPA) Rule 2014, Tourism Australia (TA) must take all reasonable measures to prevent, detect and deal with fraud. Fraud and corruption have the potential to damage Tourism Australia's reputation and have a detrimental effect on the resources available to promote the organisation's objectives. Accordingly, Tourism Australia has a zero-tolerance attitude toward incidents of this nature and is committed to minimising the likelihood and impact of this type of misconduct through the development, implementation and regular review of a range of fraud prevention, detection and response strategies. Each strategy contributes to an environment where risk is managed through sound internal controls and ethical practices.

All Tourism Australia workers, including contractors and non-Executive Directors, are responsible for ensuring that government resources (people, finances, information and assets) under their care are protected, as well as:

- Adhering to this Policy and Tourism Australia's *Code of Conduct*;
- Managing, to the extent they are able, the prevention and control of fraud and corruption risks within their areas of responsibility;
- Implementing fraud and corruption risk management strategies where directed and participating fully in related activities;
- Creating a culture where all employees feel comfortable to speak out against fraudulent or suspected fraudulent activities; and
- Advising their Manager, the Executive General Manager, Corporate Services or the Managing Director of any concern, suspicion, or information related to fraudulent or corrupt conduct and encouraging others to do the same.

Tourism Australia is committed to minimising the incidence and impact of fraud and corruption through the development, implementation and regular review of a range of prevention, detection and response strategies. Each strategy contributes to an environment where risk is managed, through sound internal controls and ethical practices.

Tourism Australia recognises that its workers must be supported to be able to meet their individual responsibilities as set out above and will ensure they are provided with access to this Policy, Tourism Australia's *Fraud Control Plan* and fraud awareness education.

Tourism Australia will also:

- Identify and assess risk areas and enhance its understanding of related issues through the implementation and regular review of its *Fraud Control Plan*;
- Encourage and promote professional and ethical business practices;
- Clearly communicate the ways in which workers can report suspected instances of fraud and corruption;
- Adhere and promote confidentiality for employees who “whistle blow”;
- Clearly define the hierarchical reporting and decision-making process with respect to suspected instances of fraud and corruption;
- Investigate alleged or suspected instances of fraud and corruption using qualified staff with expertise in investigation techniques, or appropriate contractors;
- Where appropriate, seek to prosecute persons and/or organisations for criminal conduct through the Commonwealth Director of Public Prosecutions (CDPP); and
- Use all appropriate and available avenues to recover money and/or property lost through fraudulent or corrupt conduct including administrative and civil remedies and proceeds of crime legislation where available.

Refer to Tourism Australia's *Fraud Control Plan* for details on how to make a report and to whom the report should be made. Questions, comments and requests for training on this Policy should be directed to the Legal and Governance Team.

Fraud

The *Commonwealth Fraud Control Framework* define fraud as *dishonestly obtaining a benefit, or causing a loss, by deception or other means*. There is a mental or fault element to fraud; it requires more than carelessness, accident or error. It can involve, but is not limited to:

- Intentional improper management of or undeclared conflicts of interest;
- Acts of bribery and corruption;
- Theft of assets, money or information;
- Unlawful use of Tourism Australia property, including offices, computers, telephones or services;
- Manipulation of Tourism Australia documents and records;
- Providing false or misleading information to the Commonwealth, State and Local governments, or failing to provide information where there is an obligation to do so;
- Obtaining property, a financial advantage or any other benefit by deception, for example through abuse of the payroll system, time-recording system or financial system; or
- Intentional improper disclosure of confidential or sensitive information.

The main objectives of fraud control are to protect public money, information and property, and to protect the integrity and good reputation of Australian Government entities such as TA.

Corruption

Corruption is commonly referred to as the misuse of entrusted power for private gain. It can take many forms and vary depending on local culture and context. Bribery is a form of corruption and is defined by Transparency International as *the offering, promising, giving, accepting or soliciting of money, gifts or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out an organisation's activities*.

Bribery, and corruption generally, are found in all countries and undermine economic growth and good governance. Tourism Australia has a zero tolerance attitude toward bribery and other forms of corruption; allegations or reports of this nature will be treated according to procedures within Tourism Australia's *Fraud Control Plan*.

In the Tourism Australia context, *currency* describes more than just cash. Travel vouchers, theatre tickets, bottles of wine, gifts, discounts on airfare and hotels, access and information can all be traded, given and received. This is important to understand as bribery can be seen in the form of gifts, hospitality and travel. Bribery can also take the form of kickbacks, whereby a pre-negotiated commission is paid to a bribe-taker as a quid pro quo for services rendered, for example, through inflated or fraudulent invoices. Being on either end of a bribe is a serious offence.

Examples of bribery include:

- A potential supplier offers money or a gift in order to influence a tender process;
- A job applicant offers to pay to increase their chance of being offered employment;
- A gift (e.g. excessive hospitality connected to a training course) is offered to a local government planner in return for approval of a development application;
- A customs official asks for an unofficial payment or gift to release imported goods; or
- A government official asks for payment in order to secure a business registration.

(The last two examples may also be considered to be facilitation payments which are another form of bribery).

Gifts and Benefits

Tourism Australia employees must not accept gifts, benefits or hospitality that will compromise, or appear to compromise, their integrity and objectivity in performing their duties, or cause, or appear to cause a conflict of interest. They may, however, accept gifts, benefits or hospitality if they are in keeping with the generally accepted local customs and practice in the tourism and travel industry, and provided that such conduct is legal and can be publicly defended, or if their refusal would cause offence to the giver (provided that such conduct is legal and can be publicly defended). Tourism Australia's *Gifts and Benefits Policy* provides further context and guidance on the proper management of these matters.

Whistleblowing

Whistleblowing refers to the making of a protected disclosure or report relating to a breach, or suspected breach of law, regulation or Tourism Australia policy. Refer to Tourism Australia's *Public Interest Disclosures Policy* for more information.

RELATED LEGISLATION AND DOCUMENTATION

- Criminal Code Act 1995
- Commonwealth Fraud Control Framework
- Code of Conduct
- *Public Governance, Performance and Accountability Rule 2014*
- Public Interest Disclosures Policy
- Fraud Control Plan 2019-21
- Gifts and Benefits Policy