



Conflict of Interest – for employees

A conflict of interest arises when there is a conflict between a private or personal interest (including a person's family, friends and associates) and the performance of a public duty. The conflict can be actual, perceived, or potential.

1. Why should I report a conflict of interest?

It is essential that the community have trust that public decisions are being made fairly and without bias. Public decisions may be about approvals, appointments, permits or other critical government functions.

Declaring any relevant interests that may conflict with your public decisions is about being honest and transparent, and creating a record of how and why you and your team made decisions.

2. When do I disclose a personal interest?

This depends on your organisation's policies, your position and the decisions you are required to make.

Some organisations will have an ongoing list called an 'interests register' or similar. For example, elected members need to disclose their financial and non-financial interests before taking office. Interests can be added or removed circumstances change.

As a public sector employee, you should declare personal interests when there is a potential, perceived or actual conflict. Your responsibility is to carefully consider the decisions, appointments, contracts, approvals, or other functions that come across your desk, and ask yourself if someone in the community might think you have a conflict of interest.

Consider asking colleagues or peers if they think it might seem that you have a conflict of interest. 'The earlier, the better' is good general advice.

If you do not declare an interest and someone discovers your conflict later – regardless of whether it was perceived, potential or actual - that could undermine the work you and your colleagues did in achieving the desired outcome.

3. What do I disclose?

You should disclose:

- ▼ the decision you are required to make
- ▼ Who or what may be affected by your conflict
- ▼ the potential benefit or disadvantage to anyone
- ▼ how you propose to manage the conflict, and

▼ any other views you may have sought on the matter.

Your declaration and proposed management of the conflict must be endorsed by your supervisor or manager.

If your organisation does not have a form for conflict of interest disclosure, the Integrity Commission has templates available via our website:

www.integrity.tas.gov.au

4. Should I disclose something that might appear to be a conflict of interest, even though I know there's no actual conflict?

Generally, it is better to be cautious and disclose anything that you think might seem like a conflict of interest to somebody else.

This is because the appearance of a conflict of interest can harm public trust in government as much as an actual conflict of interest.

Further, as the person with the interest, you are not the best person to assess whether you can separate your interests (including biases) from your public decisions.

We recommend checking with your manager, colleagues and peers as a first step. This should help you to get a sense of what your situation looks like from the outside. You can then follow your organisation's normal conflict of interest declaration and management processes.

5. How do I disclose a conflict of interest?

The first step is to talk to your manager. You may have to fill out a form, including the information outlined in Question 3 above. Then you can work with your manager on how to manage any risks arising from your conflict.

Depending on the type of work you are doing and the nature of your conflict, there will be different steps to take. You may only need to disclose the information, or you may need to remove yourself from certain decisions or processes. In some cases, you may have to step aside from parts or all of your role.

6. What happens if I don't declare my conflict of interest?

Failure to declare a conflict of interest could result in your employer taking disciplinary action. This may result in a sanction and, in serious cases, could risk your employment with the public sector.

Any work you've been a part of – decisions, appointments, contracts, tenders etc. – might have to be done again.

For the community, every instance where it seems that government decision making is biased damages public trust in government.

7. What about my right to privacy?

Any conversations you have or reports you make should be kept confidential. However, in some instances the public interest may override the right to privacy for public sector employees. Even if you would prefer not to disclose something - for example, a personal relationship that may present a conflict of interest - your job requires that you do.

If you are worried about confidentiality, talk to your manager about how they will make sure your private information remains confidential.

8. Where can I find my organisation's conflict of interest policy?

All public organisations should have a policy and procedure for identifying, declaring, and managing conflicts of interest. If you're not sure, ask your Human Resources Unit or other representatives for assistance.

Alternatively, an experienced colleague or someone knowledgeable from your organisation may be willing to help talk you through the policy.

Other agencies and organisations may have a code of conduct available on your intranet.

9. What is an example of a financial interest that could create a conflict of interest for me?

A financial interest (also called a pecuniary interest) is something of monetary value, whether or not you know the exact value.

It can include: a salary, commissions, consulting fees, equity interests, real estate or personal property, dividends, royalties, rent, capital gains or intellectual property rights.

Financial interests can also be in the form of gifts, gift certificates, paid trips, stocks, or hospitality, like tickets to sporting events.

An example is if you helped your brother establish his transport business by investing in and becoming a company shareholder. He responds to a tender put out by your organisation. Then your boss asks you to assess the tenders.

Your interest as a shareholder (and someone with an interest in seeing your brother's business prosper) means you have a conflict of interest that you must declare.

10. What is an example of a non-financial interest?

Non-financial interests (also called non-pecuniary interests) do not have a financial component but may arise from personal or family relationships or involvement in sporting, social or cultural activities.

An example is if you were a member of a large sporting club but not involved with the club's management – you merely enjoy the club's facilities as a part of your membership. The club applies for approval to expand its facilities, and your organisation handles this matter.

While it is unlikely that your interest as a club member would overshadow your role as a public sector employee, you must declare your association. You will likely have a conflict of interest if you are involved in making decisions related to the proposal.



The Commission can help

We are available to provide support and assistance with identifying, reporting, investigating, managing and preventing misconduct: contact@integrity.tas.gov.au or 1300 720 289.