Fact Sheet

INTEGRITY COMMISSION TASMANIA

Conflict of Interest

What is a conflict of interest?

A conflict of interest arises when a public sector employee's private interests could improperly influence, or be perceived to influence, the way they carry out their official duties. Conflicts of interest matter because public decisions must always be made in the public interest, not for personal benefit.

The Tasmanian community expects public sector employees to put the public interest first. All public sector employees share responsibility for identifying, declaring, and managing conflicts of interest to maintain confidence in public decision-making.

It is normal to have interests

All of us have private interests arising from our lives outside work. These interests are not wrong and often enrich what we bring to our roles. Private interests include:

- personal, family, or business relationships
- responsibilities to family, friends, or community
- membership of clubs, associations or organisations
- financial or economic interests, including assets, investments or business interests (direct or indirect).

Private interests can also include the interests of people or organisations we are closely connected with, such as relatives, friends, competitors, or adversaries. As public sector employees, we should manage our private interests so that they do not influence, and are not seen to influence, our professional judgement or official decisions.

Types of conflict of interest

Conflicts of Interest are commonly described as actual, perceived, or potential.

Actual conflict of interest

An actual conflict of interest exists when a public sector employee's private interests directly conflict with their official duties. The employee is in a position where their private interests could improperly influence how they carry out their role.

Perceived conflict of interest

A perceived conflict exists when a reasonable person, with knowledge of the relevant facts, could believe than an employee's private interests might influence their official duties – even if they do not.

Potential conflict of interest

A potential conflict exists when an employee's private interests could conflict in the future with their official duties, depending on how circumstances develop.

Why conflict of interest matter

In the public sector, decisions must be made – and be seen to be made – fairly, impartially, and in the public interest. Unidentified or unmanaged conflicts of interest can:

- Undermine public trust in government
- Damage confidence in individuals and organisations
- Create opportunities for misconduct or corruption.

Conflicts of interest are a recognized high-risk area across the Tasmanian public sector, particularly in a small jurisdiction where professional and personal connections are common. Importantly, having a conflict of interest is not misconduct. Failing to identify, declare, or manage it appropriately can be.

Managing conflicts of interest

Good conflict of interest management means taking action early and being transparent. Management strategies should be proportionate and practical, and must both be done and be seen to be done.

Good practice for individuals

- Be alert to your private interests and how they may intersect with your work
- Declare conflicts early and discuss them with your manager or supervisor
- Keep records of disclosures and agreed management actions.

Follow agreed management strategies, including the *Six R's: Register, Restrict, Recruit, Remove, Relinquish, and Resign.*

Good practice for organisations

- Maintain a clear, accessible and contemporary conflict of interest policy
- Encourage a workplace culture where disclosures are supported and normalized
- Provide guidance and practical support
- Apply management strategies that are realistic and proportionate
- Lead by example, with senior leaders declaring and managing conflicts openly.

The benefits of good management

Effective management of conflicts of interest:

- Reduces the risk of corruption and improper conduct
- Protects employees and organisations from unfounded perception of bias
- Strengthens governance, integrity, and public confidence
- Demonstrates a clear commitment to ethical decision-making.

Managing conflicts of interest is a shared responsibility and a vital part of maintaining trust in the public sector.

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.