

Unmasking corruption in public institutions

Joint communiqué from Australia's anti-corruption Commissioners

29 October 2019

Public officers hold office and exercise public power or functions for public benefit. Corruption may involve the abuse of public office or the improper use of public power by either elected or appointed officials. Maintaining integrity in Government and in public administration demands adherence to standards of conduct. Such standards, for example, are directed to the avoidance or the management of conflicts of interest, in the protection of probity in tendering or procurement or in protecting confidential Government or other information. Governments act, or at all events are constitutionally required to act to ensure integrity in the processes of government. Similarly, public officials are required to act without regard to private interest, but with integrity and in the public interest.

This communiqué addresses practical measures by which corruption may be detected, exposed and prevented.

An organisational culture of integrity that genuinely supports and encourages people to speak up is vitally important in exposing and ultimately preventing public sector corruption.

Corruption flourishes when it is not called out, witnesses look the other way, or it is swept under the carpet. More is at play than individual behaviour. When viewed holistically, corruption is properly seen as not just about individual failure but as a reflection on an institution's overall integrity. Addressing the organisational setting in which corruption occurs is the key to succeeding in the fight against it.

Across Australia, much has been done to build corruption resistance and expose instances of corruption in the public sector. While these achievements should be celebrated, much still remains to be done. Any advances in addressing the scourge of corruption may be temporary if we do not remain vigilant.

The scale and impact of corruption should not be underestimated. Corruption hurts everyone. It is not victimless. It fuels distrust in government and undermines the standing of the public sector. At the extreme end, across a handful of past cases, hundreds of millions of dollars have been stolen from public sector agencies for the personal enrichment of corrupt officers and their networks. This is money that should have been spent on vital community services and infrastructure. But it is equally important to remain vigilant to the myriad of smaller-scale cases that may not attract public attention, but taken together, can have a significant impact. If you suspect wrongdoing, no matter how small in scale, speak up.

As the heads of Australia's anti-corruption agencies, we have observed a range of behaviours that allow corruption to take hold and flourish in public sector institutions. Together, these behaviours form a powerful incubator that enables corruption:

- an individual officer conceals or fails to disclose wrongdoing
- colleagues who suspect or witness the officer's conduct are reluctant or unwilling to report it for various reasons, including fear of being punished
- a supervisor fails to apply rigour and sufficient standards within their team to effectively guard against corruption risks. They are apathetic or unwilling to fully explore wrongdoing, or consider the role of other team members
- internal governance or complaints teams who have ineffective systems for identifying and reporting corrupt conduct. They may focus on individual behaviours, hoping that simply removing 'rotten apples' will be enough
- senior managers focus on getting the job done at all costs, failing to recognise the need for systemic vigilance against poor standards. Senior management does not see how a culture of cutting corners enables corruption to take hold.

These behaviours are not unique to any industry, institution or state. There are similar patterns in the complaints we receive and the matters we investigate and identifying wrongdoing provides a valuable opportunity to understand its underlying causes and emerging risks.

To disrupt the conditions enabling corruption, two strategies should be relentlessly pursued:

- Public sector leaders need to build organisational cultures that embrace the opportunity to learn and improve. The detection of wrongdoing must be viewed as an opportunity to continuously build corruption resistance. Public sector leaders must rigorously examine the risks and contributing factors leading to wrongdoing in their institutions. By asking the right questions, and seeking robust answers, public sector leaders can create enduring cultural change. We want a world in which corruption risks are identified, managed, and treated with the same importance as the modern day approach to health and safety management across Australia.
- Public sector leaders must do more to raise awareness of the protections for those who speak up. Corruption detection and prevention relies on people reporting wrongdoing. We call on public sector leaders to prioritise promoting how and where to access the protections available to those who report corruption and to take appropriate action against the perpetrators of reprisal against disclosers. The mere knowledge of protections is not enough. To come forward, disclosers must feel safe and genuinely believe they will be supported. Public sector leaders should cultivate environments where their staff genuinely feel safe to speak up.

When a colleague, supervisor, governance officer, or senior manager speaks up there is nowhere for corruption to hide. When the community remains vigilant and reports wrongdoing, corruption is unmasked. Together, we can fight public sector corruption.



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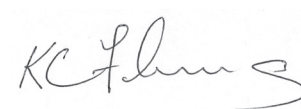
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