Your ref:
Our ref:
Enquirles:
Phone:

Mr M Hughes MLA Chair Joint Standing Committee on CCC Parliament House 4 Harvest Terrace WEST PERTH WA 6005

By email: jsccc@parliament.wa.gov.au

Dear Mr Hughes

## What Happens Next Inquiry: Request for Information

Thank you for your correspondence dated 25 August 2022, which seeks data and information on 'serious misconduct' – as defined in the *Corruption, Crime and Misconduct Act 2003 (CCMA)*.

The Department of Jobs, Tourism, Science and Innovation (JTSI), does record details of serious misconduct allegations against public officers engaged with JTSI. During the five financial years between 2017-18 and 2021-22, JTSI had one serious misconduct matter in the Department's former Trade Commissioner to Tokyo, Mr Craig Peacock.

Information on this matter was provided in my correspondence dated 27 May 2022 to the Joint Standing Committee on the Corruption and Crime Commission. I am pleased to provide further details as requested in your latest correspondence.

**Sustained allegations**: Mr Peacock represented the Western Australian Government in Tokyo, Japan for 17 years. In March 2019, the Corruption and Crime Commission (CCC) published the *Report on the WA Commissioner in Japan* (the Report). The Report found, amongst other things, that Mr Peacock had

"For many years, been enriching himself at the State's expense and betraying the trust placed in him. From December 2008 to January 2018, under renewed employment contracts, he was paid Cost of Living Allowance (COLA) direct from his employing departments into his bank account along with his salary. He also arranged for monthly payments equivalent to COLA to be paid to him through the Tokyo office bank account by directing the office manager to do so. Those payments totalled nearly \$500,000."

The Report also found that Mr Peacock misused his official passport; was involved in a car accident while drunk and lied to his employer about this while claiming reimbursement for repairs; and had not paid taxes in Australia or Japan since 1993.

Sanctions and improvement actions imposed: Mr Peacocks employment as Commissioner was terminated on 1 February 2019 by the Director General of JTSI due to misconduct.

JTSI referred a copy of the Report to WA Police following its publication. The WA Police was tenacious in its efforts to pursue the matter with the Director of Public Prosecutions, despite the additional challenges posed by the fact that Mr Peacock was located in Japan for the duration of his employment as Trade Commissioner.

In late 2021, WA Police advised that due to jurisdictional challenges, the Director of Public Prosecutions would not be proceeding with prosecution in relation to Mr Peacock's activities as identified in the Report.

Occasions where the agency took action to recover money from the public officer for conduct the subject of a sustained allegation: The CCC's role in taking action to investigate and report on the Peacock matter, and in providing information to JTSI in relation to this, was paramount to the successful civil outcome for the State.

Although criminal proceedings have not been commenced in WA, Mr Peacock and the State reached an agreement in April 2019 that he would reimburse the State in full and final settlement of any civil claims.

Mr Peacock defaulted on the agreement to reimburse the State and on 31 January 2022, the Japanese Execution Court determined that the State be allocated the money sought. This is an excellent outcome for the State, particularly given the jurisdictional challenges.

Examples of systemic change, including cultural change, made after a finding of serious misconduct, to prevent future misconduct. In accordance with Commissioners Instruction No. 8 - Codes of conduct and integrity training (CI8), JTSI has a code of conduct and provides training for employees and board members on accountable and ethical decision-making (AEDM).

To further assist with embedding this training and associated resources, JTSI has transitioned from a manual training system to deliver AEDM training to a more sophisticated electronic platform by purchasing a learning management system (ELMO).

Procurement of the LMS and associated training content were finalised in early 2022, with training commencing in May 2022. As at 17 October 2022, 352 out of 473 employees (74%) have completed this important training.

In March 2021, JTSI Strategic Corporate Executive Committee (SCEC) approved the implementation of a new Fraud and Corruption Risk Management Framework which provides a consistent approach for staff to identify and manage fraud and corruption risks across the department, including regional and international offices. This implementation was supported by a range of change management activities including a short video, newsletter articles and individual team awareness sessions presented by the Governance and Risk Team.

JTSI has also developed a Fraud and Corruption Risk Register which is reviewed annually and reported on regularly to the JTSI SCEC and the Risk and Audit Committee.

One example of assistance the CCC and Public Sector Commissioner provided to your agency to prevent misconduct and address misconduct risks after a finding of serious misconduct. JTSI worked closely with SSO, the CCC and WA Police throughout the duration of the Peacock matter and in the aftermath of the publication of the Report. The advice and support that was provided was extensive and tireless.

JTSI and CCC representatives continue to hold regular 6 monthly liaison meetings which provide an opportunity for officers to discuss any misconduct concerns and provide updates on effective misconduct risk management processes at JTSI. The next meeting is scheduled for mid-December 2022.

I hope that this feedback may be of some assistance to the Inquiry. Please contact me if I can provide you with any further information.

Yours sincerely

Rebecca Brown
DIRECTOR GENERAL
DEPARTMENT OF JOBS, TOURISM, SCIENCE AND INNOVATION

2 October 2022