



COMMITTEE ON THE ICAC

REPORT ON MATTERS ARISING
FROM
THE GENERAL MEETING
WITH THE
COMMISSIONER OF THE ICAC

HELD ON 27 NOVEMBER 2000

November 2002

Report No 9/52nd Parliament

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ISBN 0 7347 6893 1

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Committee Membership

Legislative Council

The Hon J Hatzistergos MLC
Chairperson

The Hon D Oldfield MLC

The Hon G Pearce MLC

Legislative Assembly

Mr J Price MP
Vice-Chairperson

Mr M Brown MP

Mr A Fraser MP

Mr K Hickey MP

Dr E A Kernohan MP

Mr G Martin MP

Ms A Megarrity MP

Mr B O'Farrell MP

Committee Functions

Independent Commission Against Corruption Act 1988

- “64 (1) The functions of the Joint Committee are as follows:
- (a) to monitor and to review the exercise by the Commission of its functions;
 - (b) to report to both Houses of Parliament, with such comments as it thinks fit, on any matter appertaining to the Commission or connected with the exercise of its functions to which, in the opinion of the Joint Committee, the attention of Parliament should be directed;
 - (c) to examine each annual and other report of the Commission and report to both Houses of Parliament on any matter appearing in, or arising out of, any such report;
 - (d) to examine trends and changes in corrupt conduct, and practices and methods relating to corrupt conduct, and report to both Houses of Parliament any change which the Joint Committee thinks desirable to the functions, structures and procedures of the Commission;
 - (e) to inquire into any question in connection with its functions which is referred to it by both Houses of Parliament, and report to both Houses on that question.
- (2) Nothing in this Part authorises the Joint Committee:
- (a) to investigate a matter relating to particular conduct; or
 - (b) to reconsider a decision to investigate, not to investigate or to discontinue investigation of a particular complaint; or
 - (c) to reconsider the findings, recommendations, determinations or other decisions of the Commission in relation to a particular investigation or complaint.”

Chairman's Foreword

An organisation whose purpose is to expose and prevent corruption in the public sector must lead by example and ensure that its own practices and procedures are transparent and fully accountable. This report details the examination of correspondence, documentation provided by the Independent Commission Against Corruption, and evidence taken at General Meetings with the ICAC Commissioner, in relation to travel undertaken by ICAC staff and former Commissioner, Justice O'Keefe. The Committee was concerned that, although there had been no failure to comply with statutory requirements, departures from public sector guidelines for official overseas travel appear to have occurred, which, combined with the lack of formal reporting following the trip, meant that the process lacked transparency and accountability.

The Committee has been pleased to note that, after the issue was initially raised in questions on notice for the General Meeting in November 2000 and during questions at the Meeting, Commissioner Moss has taken steps to ensure that ICAC travel policies and procedures have been reviewed and strengthened to accord with public sector policies regarding official travel. The Committee will continue to monitor travel by the Commission at future General Meetings.

The Hon John Hatzistergos MLC
Chairman

Executive Summary

Question on Notice 10.3 for the General Meeting with the ICAC Commissioner held on 27 November 2000 asked the Independent Commission Against Corruption to provide information as to the benefits to the organisation arising from the trips listed in Appendix 10 of the ICAC Annual Report 1999-2000, any relevant documentation, and further details of the duration of each trip.

It was evident to the Committee from ICAC's answer and from Commissioner Moss's response to questioning at the General Meeting that, although the international profile of the ICAC may have been raised by the attendance at conferences of the former Commissioner, Justice O'Keefe, and ICAC officers, there had been a lack of written reporting on their return, which limited the corporate value of these overseas trips. Another concern of the Committee had been the frequency of overseas trips. Ms Moss informed the Committee that, during her term of office, reporting requirements had been strengthened and very limited overseas travel had occurred. In its report on the General Meeting, the Committee commented that formal reports and briefings should be prepared following overseas travel "to enable the knowledge gained to be conveyed throughout the Commission".¹

On 26 July 2001, Commissioner Moss provided the Committee with documentation from ICAC files to supplement her response to matters taken on notice concerning overseas travel undertaken by former Commissioner O'Keefe, between 28 September and 15 October 1999. The Committee's attention was drawn to his trip to Zimbabwe, 4-7 October 1999, for which the ICAC did not have details. Justice O'Keefe had advised the Commission that he had flown at his own expense to Zimbabwe with the intention of observing the meeting of African Heads of State, but at the last moment had been prevented from attending.

The Committee resolved to deal with the issues raised concerning Justice O'Keefe's trip to Zimbabwe at the next General Meeting and also to write to Justice O'Keefe concerning official overseas travel he had undertaken during his term as Commissioner. Justice O'Keefe was unable to respond to the matters raised in the Committee's letter before the General Meeting due to work commitments. However, the Committee was able to ascertain from questions on notice and evidence taken on 30 November 2001 that Commissioner Moss had ensured that the approval, reporting and accounting systems for overseas travel had been improved. All travel undertaken by ICAC officers now accorded with public sector travel guidelines.

Justice O'Keefe sent a detailed reply to the Committee's letter on 31 January 2002, too late for it to be considered for inclusion in the 2001 General Meeting Report. After reviewing this correspondence, and the travel documentation provided by ICAC, the Committee remained concerned by:

- the use of a travel agent other than Qantas, the official government travel manager. Although ICAC is exempt from the *Public Sector Management Act 1988* and so is not required to comply with the Government's procurement

¹ Committee on the ICAC, *General Meeting with the Commissioner of the ICAC, 27 November 2000*, Parliament of New South Wales, Report No. 4/52nd Parliament, p 7

and tendering policies and codes of practice, the Committee is pleased to note that current ICAC policy is for bookings to be made through Qantas unless the travel is arranged by overseas conference organisers. The Committee considers that the ICAC should use Qantas and where it elects not to, should provide reasons for the decision.

- the trip to Zimbabwe. No approval for this sector of the trip was contained in the ICAC records provided to the Committee. Confirmation of Justice O’Keefe’s attendance as an observer at the CHOGM meeting should have been firmly established and documented.
- the early return to Sydney from Johannesburg which incurred an additional charge of \$1066.80. Public sector travel guidelines require the exercise of strictest economy on overseas visits.
- the lack of appropriate records for the trip, including dates, purpose and costs, and retention of invoices and receipts for reconciliation of all expenses.

During the term of Commissioner Moss, ICAC travel policy and procedures have been reviewed. The Committee recommends that:

- overseas travel undertaken by the ICAC Commissioner and staff should be of value to the organisation as a whole;
- formal reports and briefings should be prepared following overseas travel to enable the knowledge gained to be conveyed throughout the ICAC;
- the ICAC should observe, as far as possible, official overseas travel guidelines for the public sector in NSW, except where departure from the guidelines is documented and justified.

It is noted that measures introduced by Commissioner Moss address these recommendations. The Committee will continue to monitor travel expenditure by the ICAC and the practices and procedures instituted by Commissioner Moss in relation to the approval and acquittal of travel by ICAC office holders and staff.

Chapter 1 - Background

1.1 General Meeting, 27 November 2000

The matters dealt with in this report originate from information provided by the Commissioner of the ICAC, Ms Irene Moss, in response to matters taken on notice during the General Meeting held on 27 November 2000. General Meetings are one of the mechanisms by which the Committee exercises its oversight role in relation to the ICAC.

Question on Notice 10.3 and ICAC's answer form the starting point for the Committee's inquiries into official overseas travel by the staff and former Commissioner of the ICAC, Justice O'Keefe.

The following table is an abridged version of the answer provided by the ICAC in response to Question on Notice 10.3² as it contains only details of travel undertaken by Justice O'Keefe and Commission staff, where relevant to this report.

Traveller	When	Countries visited	Purpose	Cost
Commissioner O'Keefe	28 September – 15 October 1999	Philippines, Hong Kong, South Africa	Attend Asia Development Bank/OECD Workshop, Meeting with Hong Kong ICAC, attend 9 th International Anti-Corruption Conference in Durban	\$22,573
Guy Slater	4 – 16 October 1999	South Africa	Attend 9 th International Anti-Corruption Conference in Durban	\$9,174
Commissioner O'Keefe	2 – 8 November 1999	Singapore, New Delhi, Bangkok	43 rd Congress of the Union International des Avocats in Delhi-session on the fight against corruption and its relationship to attorney/client privilege	\$9,861

Commissioner Moss's evidence to the Committee highlighted the difficulties in obtaining details of the ongoing benefits to the ICAC of some of the overseas travel undertaken during the tenure of the previous Commissioner:

CHAIR: We have received the various documentation in relation to the travel that was undertaken by Commission staff, particularly overseas, and I think we asked the Commission to provide reports in relation to the ongoing benefits of any of the travel to the organisation.

The information we have been provided with is basically a list of itineraries and conference programs, that staff or the Commissioner attended, but not much in the way of or not anything, apart from two relatively junior officers, indications of ongoing benefits to the organisation.

Are you able to indicate, particularly in relation to the former Commissioner's travel, what the ongoing benefits to the organisation that you are aware of may have been as a consequence of that extensive travel that was undertaken in the last six months of his term?

² *ibid*, pp 62-4.

Ms MOSS: We did look through the files and we were not able to locate formal reports in the files, but my understanding from talking to staff is that he did give verbal briefings of his trips.

Mr FRASER: Do you deem that as effective?

Ms MOSS: I would prefer a more formal briefing of people's trips overseas to allow them to impart the knowledge that they would have gained from those overseas trips and also to work out specifically what we actually want from some of these trips. I personally would ask for more stringent reporting, formal reporting of the results, but we were not able to find in the files formal reports. They were not in the files, but as I said, my understanding is that he did give oral briefings to the staff.

Mr FRASER: So you have not contacted the past Commissioner asking whether he did any review or -

Ms MOSS: No, we have not done that.³

Commissioner Moss also gave evidence concerning the international profile of the ICAC and the focus given to this by the then Commissioner, Justice O'Keefe. She also indicated that her priorities differed to those of the former Commissioner and that her current focus concerned the ICAC's activities at a state level:

Mr RICHARDSON: A substantial number of those trips were to parts of Asia, which perhaps do not share Australia's democratic positions, and I got the impression that what was happening was that Commissioner O'Keefe and other officers were almost proselytising, they were pushing our anti-corruption message to some of these other countries. Do you think that that should be part of ICAC's role, that we take anti-corruption to the four corners of the globe?

Ms MOSS: I think ICAC's role is to the New South Wales public. That is quite clear. It is an organisation that is funded by New South Wales public funds, and so firstly and foremost our role and our obligation should be to the citizens of New South Wales. Having said that, different commissioners have different priorities, and it is clearly on the record that the previous Commissioner believed that ICAC could play an international role and indeed has made quite an impact in that international arena. As such, I think, because of the role he played internationally many countries overseas have actually sought ICAC's assistance when they consider setting up corruption fighting organisations or when they wish to seek advice on these issues.

...

Mr HICKEY: Do you think that ICAC benefited by the travel and the conferences?

Ms MOSS: It is very hard to evaluate and, as I said, I have not taken on the same priorities in that sense. My priorities have been different but presumably it would have raised the profile of ICAC outside the country.

The Hon. D. E. OLDFIELD: To whose benefit would that be? No-one in New South Wales?

³ *ibid*, pp 72-3.

Ms MOSS: Probably.

The Hon. D. E. OLDFIELD: So you will be restricting your activities to New South Wales as a priority?

Ms MOSS: As a priority, which is not to say that there would not be an occasion where it might be quite appropriate to either send staff or go yourself if the occasion was appropriate for that.⁴

With regard to the payment of overseas travel involving conferences or in response to requests from institutions seeking the advice of the ICAC, the Commissioner explained that some of the institutions sponsoring the trip paid for the airfares and accommodation costs. In other cases, the ICAC had examined ways in which it could recoup the costs.

Further evidence was taken on the particular travel undertaken by the former Commissioner during September and October 1999, as follows:

CHAIR: I wanted particularly to ask you about the trip that was undertaken between 28 September and 15 October which included the Philippines, Hong Kong and South Africa. We have been given the itineraries for the Philippines and South Africa, we have been given no information as to what the Commissioner did in Hong Kong, which just happened to be arranged as I understand it, to coincide a week after two Members of this Committee went to Hong Kong. What took place in Hong Kong that the previous Commissioner did in October and why was it necessary for him to undertake that travel bearing in mind in March of last year he also went to Hong Kong for the 25th anniversary of the ICAC in Hong Kong celebrations?

Ms MOSS: We did attempt to go through the files, we cannot give an answer on that. No, we have not been able to locate documentation on it.

CHAIR: So you are not aware of what benefit or value there was in that?

Ms MOSS: Not really. I would have to take that on notice if you like and get back to the Committee with an answer on that.

CHAIR: Can I also ask a question about some of the itineraries that you have provided us with. Mr Slater went to Durban between 10 & 15 October of last year and gave a report on the rebirthing of motor vehicles, a fairly extensive report on his investigation. This was at a time whilst the Commission was still conducting, I take it, hearings in relation to this matter. Do you think it is appropriate that Commission officers should be going overseas to Durban, or anywhere else for that matter, giving analyses of investigations which are still in an operational stage as far as the ICAC is concerned?

Ms MOSS: It is certainly hard to evaluate because I was not there at the time, in fact.

Mr WOODHOUSE: I cannot speak on the circumstances of that particular situation but I can envisage circumstances where even in the progress of an investigation lessons have been learned and objectives identified that could be passed on. It is difficult to comment on the facts of that but I can envisage the situation occurring where it would be appropriate.

⁴ *ibid*, pp 73-4.

Ms MOSS: Without knowing what the workload was at the time it is hard to work out whether it was appropriate for him to go overseas to carry out that commitment. Indeed, Mr Woodhouse had to cancel out on Hong Kong just a couple of weeks ago because we felt that the internal staff commitments were too much and that it would not have been possible for Michael to have made that trip.⁵

On the level of reporting on official overseas travel by the ICAC, questions were put to Commissioner Moss concerning the standards observed by the ICAC for the recording and reporting of overseas travel in comparison to those recommended by the ICAC in its report on parliamentary travel:

Mr RICHARDSON: I might just come back to the travel matter. In your third report on the investigation into electoral travel, recommendations 50, 51 and 52 state:

50. The details of all committee travel undertaken by Members should be published annually to encourage transparency and accountability in relation to decisions about travel and travel arrangements. For each trip taken the details should include:

- (a) The dates and destinations involved;
- (b) A list of all Members travelling;
- (c) The purpose of the trip, and
- (d) Where the report was produced if there was some other output.

51. Submissions seeking approval for travel should specify anticipated outputs by which the committee's efforts can be judged.

52. There should be a reasonable time limit for the submission of a report from a committee returning from an overseas trip.

Do you think it is actually appropriate for ICAC to be making those recommendations about the Parliament when the same rules obviously do not apply to it?

Ms MOSS: I imagine that the same rules should apply to it.⁶

The Committee was informed that, during her term, Commissioner Moss had strengthened reporting requirements for ICAC staff undertaking overseas travel and that very limited overseas travel had occurred. Under the ICAC's current internal travel guidelines and policies, formal reporting was required on overseas travel. In the case of two officers who had recently attended a Hong Kong ICAC conference, written requirements were set in terms of their travel, attendance at the conference (all sessions were to be covered) and meetings with Hong Kong ICAC officers. Their reporting obligations included providing a written report and presentations to all staff.

In response to questions from the Chair, Commissioner Moss also took on notice to provide information on the finalisation of reports by the former Commissioner, Justice O'Keefe, during the last two weeks of his tenure:

⁵ *ibid*, pp 74-5

⁶ *ibid*, p 84

CHAIR: Just on that issue. The previous Commissioner undertook travel on the basis of virtually one trip a month in the last six months of his term. There were nine or ten reports I think of the Commission that came out in the last two weeks of his tenure. My understanding is that a lot of these reports were being settled while he was overseas, they were being faxed to him or e-mailed to him and he was settling them. Is that the case? Have the costs of that overseas-generated reporting been factored into the costs of these trips?

Ms MOSS: I would have to take that one on notice. I am aware of the trips that he had made in that last period, yes, and the amount of work, but I am not aware of what arrangements he had had organised in finalising those reports and it is something which I just need to take on notice and get an answer to the Committee on.⁷

1.2 Report on the General Meeting of 27 November 2000

The Committee finalised and tabled its report on the General Meeting in February 2001. In light of the evidence it had received, the Committee included the following commentary on overseas travel, stressing the importance of the value of such travel to the ICAC as a whole and the need for formal reporting standards:

Travel by the previous Commissioner and Commission officers was raised in the context of the budget. In response to questions about the benefits arising from travel undertaken by the previous Commissioner, the Commission was unable to provide the Committee with formal reports detailing information gained during overseas travel by Commissioner O’Keefe or other officers of the Commission during 1999/2000. Travel by the Commissioner and staff is important to the overall functioning and development of the ICAC. However it is important that where undertaken there should be value for the organisation as a whole arising from any overseas trips. In these particular instances it is significant that a large number of trips were undertaken (particularly by the former Commissioner) for which the Commission was unable to identify any ongoing benefit to the organisation as a whole. The Committee is concerned that there should be value for the organisation as a whole arising from any overseas trips. The Committee therefore considers that it would be appropriate that formal reports and briefings be prepared following overseas travel to enable the knowledge gained to be conveyed throughout the Commission, and notes that Commissioner Moss has required formal briefings following travel by Commission staff.⁸

1.3 ICAC Documentation

On 26 July 2001, Commissioner Moss provided documentation from ICAC files to the Committee to supplement her response to matters taken on notice concerning overseas travel undertaken by the former Commissioner, Justice O’Keefe, between 28 September-15 October 1999.

Commissioner Moss provided the material, “to the extent that it is necessary”, pursuant to s.111(4)(c) of the *ICAC Act* as she believed “it [was] necessary in the public interest to ensure that the evidence given to the Committee at the last General Meeting is accurate, and to account for the time it has taken to provide this material”.

⁷ *ibid*, p 85

⁸ *ibid*, pp 6-7.

The material provided by Ms Moss includes memoranda from the travel agent used by the former Commissioner, and recent correspondence between Justice O’Keefe and the ICAC. The cover letter accompanying the material draws attention to travel by Justice O’Keefe to Zimbabwe from 4-7 October 1999 for which the ICAC did not have details. Commissioner Moss indicated that Justice O’Keefe advised that he had travelled to Zimbabwe to undertake “Commission work, including the writing of reports which had to be completed before [he] concluded [his] term as Commissioner in November 1999”.⁹ In later correspondence Justice O’Keefe explained that he went to Zimbabwe with the intention of attending the meeting of African Heads of State but was unable to do so.¹⁰

A brief summary and chronology of the travel undertaken, derived from the ICAC records, appears in the table below.

1999	Travel details provided by ICAC records	Explanation provided by Commissioner O’Keefe
9/7	Commissioner O’Keefe writes to the Acting Premier confirming the latter’s concurrence for his attendance at the 9 th International Anti-Corruption conference to be held in Durban, South Africa	Commissioner O’Keefe was “scheduled to present a paper on the achievements of the ICAC both domestically and internationally”. He considered “that conferences such as that arranged by the IACC and the UIA are very effective in showcasing the work of the ICAC and highlighting the importance that the NSW government places on ensuring a corruption-free public sector” ¹¹ .
28/9	Commissioner O’Keefe flies from Sydney to Manila	“I think that approval for the relevant journey came in two stages – one for the South African segment of travel, the other for the Philippine segment” ¹² . No copy of the latter approval was provided to the Committee.
29/9 – 1/10/99	Commissioner O’Keefe attends the Asian Development Bank/Organisation for Economic Cooperation and Development (ADB/OEDC) first Regional Anti-Corruption Conference in Manila	“Attendance at the ADB/OECD Conference in Manila was for the purpose of the ICAC representing Australia. The Manila Declaration was an important anti-corruption step for the region and formed the basis for the Seoul Declaration in 2000” ¹³ .
Sat 2/10	Commissioner O’Keefe departs Manila at 7am; arrives in Hong Kong at 9am; departs Hong Kong for Johannesburg at 11.50 pm	“It was found that following the Conference in Manila there were no appropriate aircraft seats available directly between Sydney and Johannesburg for me and the Director of Investigations, Mr Guy Slater, to attend the Ninth IACC conference and Interpol meeting in Durban... it was decided that, on the score of cost, I should not return to Sydney following the conclusion of the Manila Conference late on Friday 1 October, 1999, but should fly by the cheapest available route to Johannesburg. This involved travelling to Hong Kong, where I used the short stop over to consult with the IACCHK (sic). From there I flew direct to Johannesburg” ¹⁴
Sun 3/10	Arrives Johannesburg at 6.50 am Commissioner O’Keefe travels by hired car to Pretoria and back.	“I was anxious to learn something of the workings of the South African Supreme Court and the South African Truth Commission, hence my journey to Pretoria.” ¹⁵ (Parties to consultations not known.)
Mon 4/10	Public holiday (Labour Day) Commissioner O’Keefe departs Johannesburg for Victoria Falls Arrives 12.15 pm	“... I was a member of the International Group of Experts on Corruption convened by the Commonwealth Secretariat. The purpose of this group was to formulate a report for the Commonwealth Heads of Government (CHOGM) which it was hoped would be presented for ratification at a CHOGM meeting in Australia in 2001, following the presentation of an

⁹ Letter from Justice O’Keefe to Commissioner Moss dated 22 June 2001

¹⁰ Letter from Justice O’Keefe to Commissioner Moss dated 19 July 2001

¹¹ Letter from Commissioner O’Keefe to the Acting Premier dated 9 July 1999

¹² Letter from Justice O’Keefe to ICAC Committee dated 31 January 2002

¹³ Letter from Justice O’Keefe to ICAC Commissioner Moss dated 19 July 2001

¹⁴ *ibid*

¹⁵ Letter from Justice O’Keefe to ICAC Committee dated 31 January 2002

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9-15/10	Ninth International Anti Corruption Conference	The Conference program includes: Tuesday 12 October 1999 Session 2 workshop: Community involvement and public education Barry O'Keefe (Panellist), ICAC - New South Wales, Australia: <i>Programmes on education in schools using CD-ROM and other materials</i> Wednesday 13 October 1999 Session 2 workshop: Institutional interventions to contain corruption: single agency, ombudsman, public protector, special commission, corruption tribunals Chair: Barry O'Keefe, Commissioner, ICAC – New South Wales ¹⁹
Sat 16/10	Commissioner O'Keefe originally plans to return from Durban to Sydney via Johannesburg arriving Sunday 17/10 but changes plans and arrives in Sydney on Saturday	"... my recollection is that I was originally booked to return to Australia on South African airlines. New South Wales Government policy, and the policy of the ICAC, was to utilise Qantas as the preferred airline if possible. A seat became available on a Qantas flight on the day preceding the date on which I was originally due to return. Because of this, and the fact that it would give me an extra day at the offices of the Commission to ensure that a large number of reports then in course of production would be completed in time for release prior to my ceasing to be Commissioner in mid-November 1999, I had the booking changed to the Qantas flight." ²⁰

¹⁶ ibid

¹⁷ Letter from Justice O'Keefe to ICAC Commissioner Moss dated 19 July 2001

¹⁸ Letter from Justice O'Keefe to ICAC Committee dated 31 January 2002

¹⁹ Programme, 9th International Anti-Corruption Conference, Durban, South Africa

²⁰ Letter from Justice O'Keefe to ICAC Committee dated 31 January 2002

Chapter 2

Committee deliberations and correspondence with Justice O'Keefe

At a deliberative meeting held on 20 September 2001 the Committee resolved that Commissioner Moss's correspondence be noted and that the issues raised concerning Justice O'Keefe's trip to Zimbabwe be dealt with at the next General Meeting. At that time Commissioner Moss would be questioned and the matter would be included in the Committee's subsequent report. The Committee also authorised the publication of the ICAC file material provided by Commissioner Moss after it was edited to remove any personal information concerning Justice O'Keefe.

At the Committee's next deliberative meeting, held on 18 October 2001, the Committee approved dispatch of a letter from the Chairman to Justice O'Keefe concerning the official overseas travel Justice O'Keefe had undertaken during his term as Commissioner. The letter from the Chairman, dated 22 October 2001, sought a response from Justice O'Keefe to several issues, some of which were particular to his travel and others which raised procedural and policy matters. Justice O'Keefe was provided with a copy of the information supplied by the ICAC and was informed that his advice would assist the Committee in its preparation for the next General Meeting.

The Committee sought comment from Justice O'Keefe on the following specific matters concerning his trip to South Africa in 1999:

1. Why was Travelforce Pty Ltd engaged to make arrangements for travel between 28 September and 16 October 1999 and by what process were they selected in preference to the use of Qantas as the Government Travel Manager?
2. Was a formal invitation made for you to attend the African Heads of State meeting referred to in your letter dated 19 July 2001 and, if so, from whom? In what capacity did you attend the meeting and at what level were you involved?
3. When precisely did you become aware that the public and observers were excluded from the said African Heads of Government meeting?
4. Was Ministerial approval sought for all the sectors of this overseas trip including the changes to the original itinerary?
5. Why is there no reference to your intention to attend the meeting in your Zimbabwe visa application form?
6. What official business did you undertake in Johannesburg and Pretoria on 3 October 1999? Specifically, what were the "consultations" in which you participated, in what capacity, and how were these "consultations" of significant benefit to the ICAC?
7. Your memorandum, dated 9 November 1999, reveals an additional charge of \$1066.80 was incurred to return earlier than planned. The same memorandum suggests that the return date was one day earlier than previously planned (ie Saturday instead of a Sunday). What was the reason for this alteration?

8. Bearing in mind the contents of the itineraries enclosed, what led you to the conclusion, expressed in your letter of 19 July 2001, that "there were no appropriate aircraft seats available between Sydney and Johannesburg for me and the Director of Investigations to attend the ninth IACC conference in Durban"? What do you mean by the term "no appropriate aircraft seats"?

The wider issues on which the Committee sought a response included:

1. To what extent did the ICAC during your tenure as Commissioner observe the public sector guidelines for official overseas travel eg class of airfare?
2. What was the practice of the ICAC in relation to the use of the public sector's official travel manager contracted by the Government (ie Qantas)?
3. How did the Commission deal with proposals for official overseas trips by the Commissioner or ICAC staff? For example, how did the ICAC, and you in your capacity as Commissioner, exercise a strict economy (as specified in the guidelines) in relation to overseas travel? How was it established and demonstrated that a proposed visit was essential and that the ICAC would accrue significant benefits in the foreseeable future from such travel, as required by the guidelines? What was involved in the process by which such travel was approved?
4. Was the presentation of a paper considered by the ICAC to be a minimum requirement for approving applications for ICAC officers to attend conferences, as specified in the guidelines?
5. What justifications were required by the ICAC in respect of each occasion of overseas travel, its date, purpose and costs? What information was recorded for audit purposes: Did ICAC officers formally report on each occasion of official overseas travel in addition to the details of such travel recorded in the ICAC's annual reports?
6. What processes did the ICAC have in place during this period for dealing with variations to proposed itineraries for official overseas travel? How were itinerary changes approved, in what circumstances, and what records were required to be submitted in relation to altered travel plans?
7. What criteria did the ICAC apply at this time in order to determine what constituted official overseas travel?
8. Was Ministerial approval sought for official overseas travel undertaken by all Commission officers during your term as Commissioner?

The Committee planned to discuss Justice O'Keefe's response to these issues and to finalise the matter at the forthcoming General Meeting with the ICAC, scheduled for 30 November 2001.

Justice O'Keefe wrote to the Committee on 23 November 2001, confirming initial advice from his office, that the Committee's correspondence had been received while he was absent on circuit and that he would need further time in order to deal properly with the questions asked by the Committee. Due to his judicial commitments

and workload Justice O'Keefe sought to respond after he had finalised his caseload for the year.²¹

The Chairman wrote again to Justice O'Keefe on 28 November confirming that the Committee had raised the issues in its correspondence in order to provide Justice O'Keefe with an opportunity to respond prior to the General Meeting, when it would deal with the issues raised by the ICAC documentation and report to Parliament. A response was sought from Justice O'Keefe before the General Meeting on 30 November 2001. Unfortunately, Justice O'Keefe was absent when the Chairman's letter arrived. In acknowledging receipt of the correspondence, Justice O'Keefe also pointed out that he had previously been unaware of the date of the General Meeting.

Justice O'Keefe's replies, dated 23 and 29 November 2001, were considered by the Committee at a deliberative meeting immediately prior to the General Meeting on 30 November. Following discussion, the Committee agreed that Members could ask questions on the matter to Commissioner Moss during the course of the General Meeting but that no views would be expressed in the absence of a detailed response from Justice O'Keefe. The Committee further resolved to formally table the letters from Justice O'Keefe at the General Meeting.

²¹ Letter from Justice O'Keefe received by the Committee 27 November 2001.

Chapter 3

Report on the General Meeting held on 30 November 2001

In January 2002, the Chairman again wrote to Justice O’Keefe advising that the Committee intended to report in February 2002 on the General Meeting of November 2001, and wished to consider his response beforehand. Justice O’Keefe replied on 31 January 2002 (copy attached as Appendix 3) too close to publication for inclusion in the Committee’s report. At a deliberative meeting on 27 February 2002 the Committee resolved to consider an analysis of Justice O’Keefe’s correspondence in terms of broad travel policy issues or systemic issues raised.

General Meeting Report - Questions on notice and evidence from the General Meeting on 30 November 2001 confirmed that under the current Commissioner of the ICAC steps had been taken to improve the approval, reporting and accounting systems in place at the ICAC in relation to official overseas travel. The Commissioner confirmed that all travel undertaken by its officers accorded with public sector travel guidelines, advising the Committee that:

All travel, domestic and overseas, undertaken by Commission officers is in accordance with public sector travel guidelines. For example, for all officers who have travelled overseas during the current Commissioner’s term, the following has applied:

- Travel has been by economy class, with one exception where the fare for business class travel was paid for by the host organisation (the Dutch Ministry for Justice);
- Bookings have been made through the Government’s contract travel manager (i.e. Qantas) unless the travel has been arranged by overseas conference organisers;
- Only the approved accommodation, meal and travel allowances have applied;
- A full submission was made to the Commissioner prior to any approval for travel or bookings made. All overseas travel is required to have a submission to the Commissioner seeking approval. The submission details the benefits to the Commission of the officer attending and the costs involved;
- Upon return, each officer has been required to present a full report to the Commission on the information and benefits gained from the trip. Usually the officer is also asked to make a presentation to other relevant staff.²²

Formal reporting on travel also had become a requirement for ICAC officers. ICAC informed the Committee that:

There are three reporting stages:

1. an initial submission setting out in detail the benefits to be gained from the travel and seeking approval for the trip;
2. a full report on return, including a presentation to relevant Commission staff; and
3. details of each overseas trip reported in the Commission’s Annual Report each year.

²² Committee on the ICAC, *Report on the General Meeting with the Commissioner of the ICAC, 30 November 2001*, Parliament of New South Wales, Report No. 7/52nd Parliament, pp 39-40.

For example, in the 2000-2001 Annual Report, travel undertaken during the year was reported as follows.²³

Traveller	When	Countries Visited	Purpose	Cost
Stephen Shneider Linda Pettersson	12-19 November 2000	Hong Kong	Attend the first Hong Kong ICAC Symposium and hold discussions with Hong Kong ICAC	\$8842
Stephen Murray	7-9 December 2000	Hungary	Attend and present paper to Constitutional and Legal Policy Institute Conference on Government Anti-Corruption Agencies	All costs met by Constitutional and Legal Policy Institute, Hungary
Grant Poulton	27-31May 2001	Netherlands	Attend and present paper to Global Forum on Fighting Corruption and Safeguarding Integrity.	\$107 (Travel and accommodation expenses met by the Dutch Ministry for Justice)

On the question of whether the ICAC observes the “strictest economy” in relation to official overseas travel, as recommended in the guidelines, the Commission further advised that:

Since the Commissioner’s appointment in November 1999, all officers who have travelled overseas have travelled economy class fare, with one exception, where the Dutch Ministry for Justice paid for business class travel by Mr Poulton. Only the approved allowance rates have been paid. These rates are the same as those for the NSW public sector and advised by the Premier’s Department.²⁴

The Committee also questioned the ICAC on the processes in place for approval of expenditure involving the independent exercise of discretion, particularly miscellaneous expenditure. The ICAC explained that there is “no independent exercise of discretion in relation to the approval of travel expenditure” and that “the supervisor or manager of the officer undertaking the overseas travel must approve any Commission expenditure relating to the travel”. Accommodation and meal allowances, and daily allowances all accorded those that apply across the NSW public sector.²⁵

²³ *ibid*, p 40.

²⁴ *ibid*, pp 40-1.

²⁵ *ibid*, p 41.

Chapter 4

Justice O’Keefe’s Response

Justice O’Keefe’s response to the questions put to him in correspondence from the Committee is detailed in Appendix 3 and supplemented with information obtained from the file material supplied by ICAC (see Appendix 4). The response was not received in sufficient time for the Committee to adequately assess the reasons given by Justice O’Keefe for his travel arrangements for inclusion in its 2001 General Meeting Report.

Chapter 5

Conclusion

Under s.64(1) of the *ICAC Act 1988*, the Committee's functions include:

- (a) to monitor and to review the exercise by the Commission of its functions;
- (b) to report to both Houses of Parliament, with such comments as it thinks fit, on any matter appertaining to the Commission or connected with the exercise of its functions to which, in the opinion of the Joint Committee, the attention of Parliament should be directed.

The Committee decided to publish the documentation provided by the ICAC as a supplementary matter arising from the General Meeting, held on 27 November 2000.

It should be acknowledged that the documentation provided by the ICAC contains specific deficiencies as a source material for the Committee's examination. Specifically, the only comments contained in the documentation which can be directly attributed to Justice O'Keefe are his letters to the ICAC dated 19 February, 21 May, 25 May, 22 June and 19 July 2001. Comments by the travel agent concerning tourist attractions in Zimbabwe, for instance, cannot be ascribed to the former Commissioner. The Committee has conducted its review of the documentation fully cognisant of these particular deficiencies and does not consider them to detract from the conclusions and recommendations contained in the report.

The Committee considers that the office holders and staff of an independent statutory body such as the ICAC, charged with investigating and exposing corrupt conduct in the public sector, should adhere at least to the same practices and standards that govern the agencies oversighted by the ICAC, especially given the role of the ICAC in advocating standards of appropriate conduct. In respect of official overseas travel, there should only be departures by ICAC office holders and staff from the guidelines for the public sector in exceptional circumstances and such departures should be fully documented.

After a full examination of the material provided by the ICAC on travel undertaken by the former Commissioner, Justice O'Keefe, to South Africa in 1999 the Committee considers that a report to Parliament examining Justice O'Keefe's travel practices was warranted. In making this report the Committee notes a number of the views expressed in the ICAC's second report on the investigation into parliamentary and electorate travel in December 1998. With regard to accountability for the expenditure of public funds, the ICAC's report states:

Now the public expects that Members, in fact all public officials, should be more accountable, and the expenditure of public funds more open and transparent. Furthermore, it is important that Members give leadership to the public sector and the wider community by their own good example - as the ICAC contends they are elected to do.²⁶

²⁶ ICAC, *Investigation into Parliamentary and Electorate Travel: Second Report – Analysis of administrative systems and recommendations for reform*. December 1998, p.1.

On the observance by the Parliament, an agency not subject to the *Public Sector Management Act 1988*, of public sector guidelines for travel, the report notes:

The Premier's Department issues memoranda and directions under the *Public Sector Management Act 1988*. As the Parliament is not mentioned in the schedules to the *Public Sector Management Act 1988*, it is unclear whether Premier's Department memoranda bind the Parliament's administration. Generally, although not compelled to do so, Parliament voluntarily complies with other sector wide initiatives and directives, such as Treasurer's Directions.²⁷

The ICAC report also contains the following comment concerning the use of private travel agents:

In practice, many different travel agents are used by Members to book travel. This means that taxpayers do not receive the benefit of savings from discounts available through the use of government contract holders. Although in some instances the use of non-government contractors is justified, ... this is not always the case.²⁸

In view of the material that has been supplied by the ICAC concerning travel undertaken by the former Commissioner, Justice O'Keefe, to South Africa in 1999, the Committee is disappointed to note in this instance:

- that there is a lack of documentation, prior approval and reporting;
- Justice O'Keefe used a private travel agent to make the travel arrangements for his trip, without any explanation or reason for not using the preferred NSW government contractor;
- the trip involves departures from public sector guidelines for official overseas travel eg the use of a private travel agent rather than the Government Travel Manager ie Qantas;²⁹ poor record keeping and reporting;³⁰ not exercising the strictest economy.³¹
- that records for the Zimbabwe sector of Justice O'Keefe's travel are inadequate;
- the explanation provided for the change to Justice O'Keefe's flight schedule which resulted in him returning to Sydney a day early at the extra expense of approximately \$1100.

Certain general comments have been made in chapter one of the Committee's report about the specific arrangements made for Justice O'Keefe's trip to South Africa in 1999. While these arrangements appear to involve some departure from existing public sector guidelines for official overseas travel it is not apparent that it involved failure to comply with any statutory requirements. Moreover, the Committee's principal focus and concern remains broader policy issues concerning official overseas travel by ICAC staff that are of current significance to the ICAC.

²⁷ ICAC, Investigation into Parliamentary and Electorate Travel: Second Report – Analysis of administrative systems and recommendations for reform. December 1998, p.18.

²⁸ *ibid*, p.37.

²⁹ Memorandum 89-2

³⁰ PEO Circulars Nos 96-32 and 96-48

³¹ Memorandum 89-2

Recommendation

The Committee reaffirms the views it expressed on overseas travel by the ICAC in the commentary section of the report on the General Meeting held on 27 November 2000 and recommends that particular emphasis should be placed on the following:

- overseas travel undertaken by the ICAC Commissioner and staff should be of value to the organisation as a whole;
- formal reports and briefings should be prepared following overseas travel to enable the knowledge gained to be conveyed throughout the ICAC;
- the ICAC should observe, as far as possible, official overseas travel guidelines for the public sector in NSW, except where departure from the guidelines is documented and justified.

The Committee notes that the ICAC's approval systems and acquittal policies in relation to overseas travel have been the subject of review and change during the term of Commissioner Moss. The Committee is reassured by the ICAC's advice that under current practices and policies:

- Overseas travel has been by economy class, with one exception where the fare for business class travel was paid for by the host organisation;
- Bookings have been made through the Government's contract travel manager (ie. Qantas) unless the travel has been arranged by overseas conference organisers;
- Only the approved accommodation, meal and travel allowances have applied;
- A full submission was made to the Commissioner prior to any approval for travel or bookings being made. All proposals for overseas travel had to secure the Commissioner's approval. Such proposals had to detail the benefits to the Commission of the officer attending and the costs involved;
- Upon return, each officer has been required to present a full report to the Commission on the information and benefits gained from the trip. Usually the officer has also been asked to make a presentation to other relevant staff.
- Overseas travel undertaken by staff of the Commission is the subject of formal reporting, including: an initial submission setting out in detail the benefits to be gained from the travel and seeking approval for the trip, a full report on return as discussed, and details of each overseas trip reported in the Commission's Annual Report each year.

The Committee notes that the ICAC's Internal Audit Bureau undertook an internal review program in 2000-2001 that included a review of travel expenditure. The ICAC has advised that although no major shortcomings or weaknesses were identified in the audit program, improvements were recommended to certain business processes

and procedures to provide for greater transparency and accountability in all activities.³² Suggestions included changes to the format of travel acquittal forms.

Recommendation

The Committee recommends that the ICAC should report at the next General Meeting on the implementation of the recommendations made by the Internal Audit Bureau in relation to travel expenditure and any perceived benefits associated with these measures.

The Committee will monitor travel expenditure by the ICAC and the practices and procedures instituted by Commissioner Moss in relation to the approval and acquittal of travel by ICAC office holders and staff. Further, the Committee wishes to be advised of the outcomes of any future internal audits of travel expenditure by the ICAC.

³² Committee on the ICAC, *Report on General Meeting with the ICAC Commissioner*, 30 November 2001, p.38.

Appendices

Appendix 1: Minutes

Appendix 2: Guidelines for official overseas travel as at October 1999

- Memorandum No. 89-2
- Memorandum No. 90-41
- Circular No. 94-27
- Circular No. 95-15
- PEO Circular No. 96-9
- PEO Circular No. 96-32
- PEO Circular No. 96-48
- Memorandum No. 97-16
- Circular No. C98-51

Appendix 3: Correspondence between the Committee and Justice O'Keefe

Appendix 4: Documentation supplied by ICAC

Appendix 1: Minutes

No. 26

PARLIAMENT OF NEW SOUTH WALES
MINUTES OF PROCEEDINGS
OF THE COMMITTEE ON THE
INDEPENDENT COMMISSION AGAINST CORRUPTION
THURSDAY 20 SEPTEMBER 2001
ROOM 1254
PARLIAMENT HOUSE, SYDNEY

MEMBERS PRESENT

Legislative Council

The Hon J Hatzistergos (Chairman)

Legislative Assembly

Mr Brown
Mr Fraser
Mr Hickey
Dr Kernohan
Mr Martin
Ms Megarrity
Mr Price
Mr Richardson

Apologies: The Hon D Oldfield, the Hon G Pearce

Also in attendance: Ms Helen Minnican, Ms Pru Sheaves, Ms Hilary Parker, Ms Angela Dinos

....

Item 6: Letter from Commissioner Moss, dated 26 July 2001, providing information in response to questions taken on notice at the General Meeting on 27 November 2000.

Attachments to the Commissioner's correspondence, edited for personal information, were distributed to Committee members at the meeting.

Resolved on the motion of Mr Price, seconded Mr Brown, that:

- the correspondence be noted by the Committee and the issues raised be dealt with at the next General Meeting, when the Commissioner can be questioned, and included in the Committee report to follow;
- the material provided by the Commissioner be authorised for publication.

....

PARLIAMENT OF NEW SOUTH WALES
MINUTES OF PROCEEDINGS OF
THE COMMITTEE ON THE
INDEPENDENT COMMISSION AGAINST CORRUPTION
THURSDAY 18 OCTOBER 2001
ROOM 1254
PARLIAMENT HOUSE, SYDNEY

MEMBERS PRESENT

Legislative Council

The Hon J Hatzistergos (Chairman)
The Hon D Oldfield
The Hon G Pearce

Legislative Assembly

Mr Brown
Mr Hickey
Dr Kernohan
Mr Martin
Mr Price
Mr Richardson

Apologies: Mr Fraser, Ms Megarrity

Also in attendance: Ms Helen Minnican, Ms Pru Sheaves, Mr Stephen Frappell, Ms Hilary Parker

....

4. *Business arising from the minutes*

Correspondence concerning official overseas travel by the previous ICAC Commissioner

Draft letter from the Chairman to Justice Barry O'Keefe, concerning official overseas travel during Justice O'Keefe's term as Commissioner of the ICAC.

Resolved on the motion of Mr Price, seconded Mr Hickey, that the correspondence, as drafted, be sent to Justice O'Keefe.

PARLIAMENT OF NEW SOUTH WALES
MINUTES OF PROCEEDINGS OF
THE COMMITTEE ON THE
INDEPENDENT COMMISSION AGAINST CORRUPTION

FRIDAY 30 NOVEMBER 2001
PARKES ROOM, 10:45AM
PARLIAMENT HOUSE, SYDNEY

MEMBERS PRESENT

Legislative Council

The Hon J Hatzistergos (Chairman)
The Hon G Pearce

Legislative Assembly

Mr Brown
Dr Kernohan
Mr Martin
Ms Megarrity
Mr Price
Mr Richardson

Apologies: Mr Fraser, Mr Hickey, Mr Oldfield

Also in attendance: Ms Helen Minnican

DELIBERATIVE MEETING

1. Correspondence received

Items 1 and 2: Letters from Justice O'Keefe, dated 23 and 29 November, concerning his response to Committee correspondence re overseas travel undertaken during his term as Commissioner. The Chairman advised Committee Members that he had received correspondence from Justice O'Keefe dated 29 November, indicating that Justice O'Keefe was not able to provide advice before the General Meeting as requested by the Committee. The Committee discussed Justice O'Keefe's two letters. The Committee agreed that Members could ask questions on this matter to Commissioner Moss but that no views would be expressed on this matter at the General Meeting in the absence of a detailed response from Justice O'Keefe.

Resolved on the motion of Gerard Martin, seconded Mr Price that the letters from Justice O'Keefe be formally tabled at the General Meeting.

PARLIAMENT OF NEW SOUTH WALES
MINUTES OF PROCEEDINGS OF
THE COMMITTEE ON THE
INDEPENDENT COMMISSION AGAINST CORRUPTION
WEDNESDAY 27 FEBRUARY 2002
10.00AM, ROOM 1043
PARLIAMENT HOUSE, SYDNEY

MEMBERS PRESENT

Legislative Council

The Hon J Hatzistergos (Chairman)
The Hon D Oldfield

Legislative Assembly

Mr Brown
Mr Hickey
Dr Kernohan
Mr Martin
Ms Megarrity
Mr Price
Mr Richardson

Apologies: Mr Fraser, Mr Pearce

....

2. Correspondence received

....

Item 7: The Chairman circulated a letter from the Hon Mr Justice Barry O'Keefe, dated 31 January 2002, in response to Committee correspondence concerning travel he had undertaken as Commissioner of ICAC. The Secretariat was directed to prepare an analysis of Justice O'Keefe's response in terms of broad travel policy issues raised by the correspondence. The letter and analysis will be considered at a later date.

....

PARLIAMENT OF NEW SOUTH WALES
MINUTES OF PROCEEDINGS OF
THE COMMITTEE ON THE
INDEPENDENT COMMISSION AGAINST CORRUPTION
THURSDAY 9 MAY 2002, 1.00PM
ROOM 1254
PARLIAMENT HOUSE, SYDNEY

MEMBERS PRESENT

Legislative Council

The Hon J Hatzistergos (Chairman)
The Hon G Pearce

Legislative Assembly

Mr Brown
Mr Hickey
Dr Kernohan
Mr Martin
Ms Megarrity
Mr O'Farrell
Mr Price

Apologies: The Hon D Oldfield, Mr Fraser

....

3. *Business arising from the Minutes*

The Chairman briefed the Committee on

- a) the draft report: Review of ICAC Stage III, and
- b) Matters arising from General Meeting 27 November 2000 (official overseas travel for former Commissioner O'Keefe).

....

No. 35

PARLIAMENT OF NEW SOUTH WALES
MINUTES OF PROCEEDINGS OF
THE COMMITTEE ON THE
INDEPENDENT COMMISSION AGAINST CORRUPTION
WEDNESDAY 4 SEPTEMBER 2002, 10.00PM
ROOM 1043
PARLIAMENT HOUSE, SYDNEY

MEMBERS PRESENT

Legislative Council

The Hon J Hatzistergos (Chairman)
The Hon G Pearce
The Hon D Oldfield

Legislative Assembly

Mr Brown
Dr Kernohan
Mr Martin
Mr Price

Apologies: Ms Megarrity

....

3. General Business

a) Draft Report: Report on matters arising from the General Meeting with the Commission of the ICAC, 27 November 2000

Resolved on the motion of Mr Pearce, seconded Dr Kernohan to give Justice O'Keefe the opportunity to respond to the report and to set a time limit of two weeks for his response.

....

Appendix 2: Guidelines for official overseas travel as at October 1999



85/922

**Premier of New South Wales
Australia**

Memorandum No.89-2

OVERSEAS TRAVEL BY PUBLIC SECTOR EMPLOYEES

AND STATUTORY OFFICERS

(Memorandum to all Ministers)

On 26th April, 1988 (Memorandum 88/23) I advised you that while in the longer term I favoured allowing Ministers to determine what official overseas travel is appropriate for staff and statutory office holders from their portfolios, the procedure of requiring the Premier's approval to such travel would be retained for a period.

I have now had the opportunity to assess the pattern and frequency of proposals for official overseas travel and intend that Ministers be allowed to decide for their own administrations what travel by staff is essential and can be funded as priority expenditure within their Budget allocations.

All Ministers are to maintain a close personal interest in this area of activity. Each occasion of travel, its purpose, costs and duration will need to be justified, if queried from any quarter. Annual request in the formulation of the Budget for allocation of funds for overseas travel will be assisted by the provision of adequately documented justification of previous and proposed travel.

The guidelines which have applied so far to official overseas travel have been amended to take account of the removal of the requirement for the Premier's approval. These amended guidelines are attached.

Although I will not be requiring Ministers to supply returns showing what travel has been undertaken, each administration should retain a centralised record of official travel so that, as necessary, aggregate details can be collected. You might authorise the keeping of that information in the most effective manner appropriate to your own administrations.

Your co-operation in bringing the new guidelines to the attention of all appropriate sections of your administration would be appreciated.

In line with sound management principles, Ministers should continue to seek my approval for their own official overseas travel.

Issued: 31-1-89
Branch: Director-General's
Unit

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'W. J. ...', written over a vertical line that extends from the signature down to the footer area.

Premier

PROCEDURES RELATING TO OVERSEAS TRAVEL BY
GOVERNMENT EMPLOYEES

1. What Constitutes Official Overseas Travel

1.1 Travel out of Australia by a statutory appointee or by an officer or employee of a department, sub-department, board, commission or other authority coming within a Minister's administration where:-

- persons are on duty;
- persons undertake some official duty during the course of a private overseas visit;
- persons are on special leave for any purpose;
- persons undertake official duty during absence overseas on leave granted for study purposes;
- persons proceeding overseas for a tour of duty, either on an exchange basis or otherwise, with another government or a body such as the United Nations Organisation or one of its agencies.

1.2 The need exists for the exercise of the strictest economy in respect of overseas visits. Ministers should be personally satisfied that procedures are in place which establish that a proposed visit is essential and that significant benefit (to their particular administration and/or to the State in general) will accrue in the foreseeable future. Sound reasons should be advanced in support of any proposals which may be recommended. The length of absence and costs must be kept to the minimum practicable.

1.3 Where a person proceeding overseas on duty wishes to extend the visit for private purposes, the period of recreation or other leave granted should not generally exceed two weeks.

1.4 The practice of officers undertaking private visits overseas and seeking to be either on duty, or granted special leave for short periods, is not encouraged.

1.5 The presentation of a paper should normally be regarded as the minimum requirement when considering applications for officers to attend international conferences.

1.6 The presence of one officer, and certainly no more than two, should be sufficient for New South Wales to be adequately represented at any overseas conference. Ministers should only approve of this being exceeded in exceptional circumstances.

2. Study Scholarships, etc.

2.1 Absence overseas of persons for the sole purpose of undertaking an approved course of study at a particular educational institution, or in accordance with a particular study programme under a scholarship or study leave scheme granted or conducted by an employer or other scholarship granting body, is not official overseas travel even though the person concerned may be on part or full salary for the period of the scholarship or study leave, or may receive financial support from his employer in other ways during that time

2.2 The critical question in study leave cases is whether or not the person is to be regarded as being on duty or carrying out official business or an official function during the absence overseas. If so, the proposal should be dealt with in accordance with the procedures for official travel.

3. Use of the Government Travel Centre

3.1 The New South Wales Government Travel Centre is the authorised agent of Australian and overseas airlines, as well as other travel organisations and receives a commission on overseas bookings. This commission provides funding for the cost of the Centre's operations and it is desirable that it receive the benefit of the maximum possible income from this source.

3.2 Official travel bookings are to be made through the Government Travel Centre in all instances where the State is meeting the cost of fares and in other cases as appropriate.

3.3 The Travel Centre can also assist in seeing travel and accommodation costs associated with official overseas visits are contained and that excessive and unnecessary expenditure is avoided. It arranges for economical methods of travel and sees that the appropriate standards of accommodation are utilised, giving particular attention to those international hotel chains which provide special rates to Government employees.

3.4 The staff at the Travel Centre are available to provide advice in this regard.

3.5 In instances where excessive costs are proposed to be incurred the Travel Centre has been requested to bring the matter to the notice of the responsible Minister.

4. Observation of Protocol and Other Special Conditions

4.1 It is important that the proper protocol be observed at all times in connection with official visits overseas and that requests to Governmental authorities of other countries for assistance, e.g., in the arranging of appointments, transport, etc., be made through established diplomatic channels either to the Diplomatic and Consular missions in Australia of the countries to be visited, or the Australian missions in those

countries. Departure from these procedures could well give rise to difficulties and be counter productive.

4.2 Foreign Governments should not be approached direct by a State Minister or officer seeking the provision of any form of assistance relating to overseas visits. This applies even if an established liaison already exists with a representative of a foreign government or one of its departments. Such requests should be directed through the Diplomatic/Consular Missions.

4.3 Where travel is to a region in which New South Wales has an office, i.e., Tokyo and London, a copy of the itinerary should be forwarded to those offices for their information.

4.4 Special conditions apply in respect of proposed visits to Taiwan. Official and Diplomatic passports are not to be used for travel to Taiwan, and no official contact is to be made with the Taiwan Government or its agencies. Special guidelines apply to the use of Diplomatic and Official passports.

4.5 The Department of the Prime Minister and Cabinet has drawn attention to problems which exist in relation to visits to the U.S.S.R. and has emphasised the requirement that all official requests for assistance from the Australian Embassy in Moscow be channelled through the Department of Foreign Affairs. Because of the complexity of the Soviet travel and accommodation organisation, it is especially difficult to arrange visits to Russia at short notice and it is also important that variations in itinerary be notified immediately they are known.

5. Records

Each administration is to keep a central record of all its official overseas travel. This record may be in whatever form is appropriate for each administration and full details of any overseas travel are to be included in each Administrations' Annual Report.

Issued: February, 1989

Memorandum No. 90-41

Class of Air Travel for Officers and Part-Time Members of Public Sector Organisations

(Memo to all Ministers)

As part of the continuing programme of reducing expenditure in the New South Wales public sector, new arrangements will apply for air travel as from Monday, 20th August.

For all intrastate, A.C.T., Victorian, South Australian and Queensland destinations south of and including Brisbane, travel shall be Economy Class for all officers employed in the New South Wales public sector and all members of N.S.W. statutory bodies. For other Australian, New Zealand and Papua New Guinea travel, Business Class may be used by Chief Executives, Senior Executive Service members and persons with salaries above \$62,284 per annum. Part-time Chairpersons of statutory bodies may also use Business Class in those situations.

Those able to use Business Class, as above, may use that class for all other international destinations.

In the event that an officer or part-time member is accompanying a Minister who is flying First Class, they may travel First Class on the sectors on which they are with the Minister.

These new arrangements are consistent with the travel arrangements for all members of the New South Wales Parliament from 1st July, 1990.

Would you please bring this memorandum to the attention of all Departments, sub-Departments or Statutory Authorities coming within or associated with your administration.

Issued: D.G's Unit

Date: 8th August, 1990

Nick Greiner, MP.

CIRCULAR No. 94 – 27

AIRLINE "FREQUENT FLYER" SCHEMES

(Circular to all Chief Executive Officers)

You will be aware that contracts commenced on 1 January 1994 with two companies for supply of air travel services to the Government.

Conditions for the contracts are set out in detail in a "User Guide" issued by the NSW Supply Service. The Guide includes methods available through each contractor of making use of the frequent flyer schemes operated by the airlines.

The principle that public expenditure is not to be used for private gain applies to frequent flyer schemes. Any points earned through official travel may be redeemed only to secure tickets for further official travel.

An agency may choose to join members of staff in a frequent flyer scheme where it can see a benefit to the agency. Care is to be exercised to ensure that points earned are redeemed only for official travel.

If an officer or employee undertakes sufficient private travel for a frequent flyer membership to be of personal interest, present advice is that the only way to keep points earned for private and official travel separate is for the person concerned to take a second membership privately. The appropriate membership number is then quoted when booking travel. In these cases personnel making official travel bookings should ensure that the correct membership number for official travel is being quoted.

This circular replaces Premier's Department Circular No. 91/21.

Please bring this information to the notice of all relevant staff in your organisation and in any subsidiary organisations.

C. Gellatly,
Director General.

Issued: Projects & Management Services Division
Ref.: OSA/03766
Date: 10th November 1994

CIRCULAR NO. 95-15

AIR TRAVEL

(Circular to all Chief Executive Officers)

Premier's Department Circular 94/27 announced changes in public sector guidelines concerning Airline Frequent Flyer Schemes. These schemes are effectively loyalty rebates and need to be measured along with special fares which are now regularly and widely available within Australia and to and from overseas destinations.

The principal objective of every department should be to minimise overall travel and accommodation costs consistent with flexibility which might be required for travel.

Evidence suggests that most officials in State Administrations who travel by air do not accumulate enough points for economy class travel.

In the circumstances, there is little justification for agencies to meet the cost of joining or maintaining membership of any frequent flyer scheme or airline lounge facility unless a person is travelling frequently on official business, i.e. at least four times a month.

If a staff member wishes to join and maintain membership it is to be at his or her expense. Thus the costs will have to be matched against the benefits of having access to airport lounges and to other facilities.

If frequent flyer points are accumulated in the course of official business they should be used for official travel.

(K.P. Baxter)
Director General

Issued: Projects and Management Services
Contact: Paul Thomas
Date: 18 July 1995

PEO CIRCULAR No 96-9

OFFICIAL TRAVEL

(Circular to all Ministers and Chief Executive Officers)

Current guidelines for official travel are set out in Premier's Memorandum No 89-2 (overseas travel), Premier's Memorandum No 90-41 (class of air travel) and Premier's Memorandum No 95-18. The guidelines apply to public employees (including Chief Executive Officers and members of the Senior Executive Service), statutory office holders, members and employees of statutory authorities, and members of Government boards and committees. In this Circular people in these categories are referred to collectively as public officials.

The following changes to the current guidelines applying to Ministers and public officials take effect immediately to ensure complete probity and appropriate economy in official travel.

- Ministers should continue to seek the Premier's approval for their own official overseas travel.
- The delegation from the Premier for Ministers to approve official overseas travel by public officials is withdrawn. Where a Minister considers such travel is essential, a proposal endorsed by the Minister should be submitted to the Commissioner for Public Employment for approval. This includes circumstances where the agency will not need to meet the cost of the travel, e.g., public officials travelling as part of a sponsored group with travel costs met by the sponsor of the group.
- Approvals by the Premier in the case of Ministers, and the Commissioner for Public Employment in the case of public officials, are not required for official travel to New Zealand and Papua New Guinea for periods of seven days or less, on the basis that this is regarded as domestic travel. Approval is required for travel to these destinations for periods exceeding seven days.
- The strictest economy should continue to be exercised by Ministers in supporting official overseas travel. Significant benefit to the Minister's own administration and/or to the State in general should be demonstrated in submissions for approval.
- Where a public official travelling overseas on duty proposes to extend the visit for private purposes, or conversely proposes to extend private travel for official purposes, the Minister's support and prior approval by the Commissioner for Public Employment are required. Under normal circumstances these proposals will not be approved.
- Ministers may approve their own official domestic travel. Chief Executive Officers, statutory office holders reporting directly to Ministers, and Chairpersons of statutory bodies and of Government boards and committees may, with their *Minister's* concurrence, approve their own official domestic travel. The Minister's support should be obtained for any proposed travel arrangements which might attract public concern and a submission outlining what is proposed referred, to the Commissioner for Public Employment. The strictest economy should be exercised. Ministers should monitor travel patterns and costs in relation to public officials who approve their own domestic travel.

- Domestic travel by all other public officials must be approved in writing by the relevant Chief Executive Officer or Chairperson, or delegates acting under formal delegation.
- Where a public official undertaking domestic travel on duty proposes to extend the visit for private purposes, or conversely proposes to extend private travel for official purposes, prior approval is required. This practice should not be encouraged.
- Chief Executive Officers, members of the Senior Executive Service, and Chairpersons of statutory bodies and of Government boards and committees, may continue to use Business Class for overseas travel. Economy Class should continue to be used for all travel within New South Wales, and to the Australian Capital Territory, Victoria, South Australia and Queensland destinations south of and including Brisbane. *Business Class* may continue to be used for travel to Western Australia, the Northern Territory and Tasmania, and for travel to New Zealand and Papua New Guinea.
- All travel by other public officials, both overseas and within Australia, should be Economy Class, except that where the official is:
 - (a) accompanying a Minister when travelling overseas or within Australia, the official may, if required by the Minister, travel in the same Class as the Minister for the sectors where they travel together. Ministers may be accompanied by public officials from their own or other Ministers' administrations; or
 - (b) travelling overseas on duty as a member of a Government sponsored delegation or similar representative group, the submission to the Commissioner for Public Employment may propose that the official travel in the same class as the members who are not NSW public officials for the sectors where they travel together.
- Where a Minister is travelling overseas for a combination of official and private purposes (with the Premier's approval), it may be appropriate for a public official accompanying the Minister to be on duty during both the official and private sectors of the Minister's itinerary. Such arrangements should be specified in the submission to the Commissioner for Public Employment.

Any proposed variations on these arrangements should be the subject of a separate submission to the Commissioner for Public Employment. Such submissions will be assessed against the strictest tests of probity and economy.

The arrangements explained in this Circular apply to all public agencies, including departments, statutory authorities and state owned corporations.

KEN CRIPPS
Commissioner

PEO CIRCULAR NO 96 – 32

OFFICIAL OVERSEAS TRAVEL

(Memorandum to all Ministers and all Chief Executive Officers)

On 8 February 1996 Memorandum 96 - 6 advised the removal of the delegation to Ministers for the approval of official overseas travel. Ministers were to submit such travel proposals to the Commissioner for Public Employment for approval.

There has been time to assess the nature and pattern of proposals for overseas travel and it is now considered appropriate that Ministers decide for their own administrations the travel which is essential and can be funded within their Budget allocations. The requirement to submit travel proposals to the Commissioner for Public Employment is now lifted from the date of this Memorandum.

All Ministers are to maintain a close personal interest in this area of activity. Each occasion of overseas travel, its date, purpose, and costs will need to be justified and recorded by agencies for audit purposes. The requirement for disclosure of overseas travel in the Annual Reports of agencies will continue.

In deciding the appropriateness of overseas travel, Ministers must ensure that all applications comply with the following general principles.

- The strictest economy should be exercised by Ministers in approving official overseas travel. Significant benefit to the Minister's own administration and/or the State in general should be demonstrated.
- Requests by officers to take private leave while undertaking overseas travel, or conversely extending private travel for official purposes should not be encouraged. Ministers, however, should consider each application on its merits
- In respect of the class of travel the provisions contained in Circular 96-9 continue to apply. Variations should only be considered by Ministers in exceptional circumstances,
- The Public Employment Office will collate details of all overseas travel and provide six monthly reports to the Premier. Chief Executive Officers will shortly be advised of these reporting requirements.

All other provisions relating to overseas travel, outlined in Circular 96-9 and not varied here remain in force.

Any enquiries concerning this matter should be directed to Emanuel Sklavounos on telephone number 228-3570.

R.B. Wilkins

Acting Commissioner

PEO CIRCULAR NO 96 –48

**OFFICIAL OVERSEAS TRAVEL - REPORTING REQUIREMENTS
(Memorandum to all Ministers and all Chief Executive Officers)**

Circular 96-32 of 10 May 1996 advised *inter alia* that Ministers could once again approve overseas travel considered essential for officers within their own administrations. The Circular also indicated that the PEO would be providing advice on reporting requirements for such travel.

Ministers, in accordance with section 7-4 (paragraph 10) of the Ministerial Handbook are currently required to furnish the Premier with quarterly returns of all official overseas travel undertaken by officers of all agencies within their portfolio/s.

It is considered appropriate that Ministers now submit their returns on a six monthly basis (December and June) in lieu of quarterly as was previously the case. The first return is due for the six months ended 31 December 1996 and returns are required to reach this office no later than 14 days after the due date. The Ministerial Handbook will be amended to reflect these changes.

Returns are required to contain details of each occasion of official overseas travel including the name of the officer, date of travel and duration, countries visited,, purpose and costs. In addition Ministers will need to advise the amount of private leave granted to be: taken during the official overseas visit.

The requirement for disclosure of overseas travel in the Annual Reports of agencies will continue.

All other provisions relating to overseas travel, outlined in Circular 96-9 and 96-32 continue to apply.

Any enquiries concerning this matter should be directed to Emanuel Sklavounos on telephone

KEN CRIPPS

Commissioner

MEMORANDUM 97-16

(Memorandum to all Ministers)

OFFICIAL OVERSEAS TRAVEL - REPORTING REQUIREMENTS

Ministers are reminded of the requirement in section 7-4 (paragraph 10) of the Ministerial Handbook, to furnish the Premier with six monthly returns on all official overseas travel undertaken by officers of all agencies within their portfolio/s.

The return for the six months ended 30 June 1997 is now due and returns should be forwarded to the Director-General, Premier's Department no later than 15 August 1997.

Returns should contain details of each occasion of official overseas travel including the name of the officer, date of travel and duration, countries visited, purpose and cost. In addition Ministers will need to advise the amount of private leave granted to be taken during the official overseas visit.

The attached form has been developed to assist Ministers to provide the necessary information. The return is also available on disk in excel format.

All provisions relating to overseas travel outlined in PEO Circulars 96/9, 96/32 and 96/48 will continue to apply.

Any enquiries concerning this matter should be directed to Nola Hanna on telephone 9228 3558.

Bob Carr
Premier
ISSUED: Ministerial & Parliamentary Services
DATE: 29 July 1997

CIRCULAR NO. C98-51

**REPORTING REQUIREMENTS FOR
OFFICIAL OVERSEAS TRAVEL - SIX MONTH REPORT**

(Circular to all Ministers and Chief Executives)

Ministers are advised that they are no longer required to furnish the Premier with six monthly returns on official overseas travel undertaken by officers within their portfolios. Information relating to official overseas travel will be taken from agency Annual Reports from the reporting period commencing 1997-98. Agencies should continue to record details of official overseas travel by public officials for audit and Annual Reporting purposes.

Annual returns of air charter usage must continue to be lodged by Ministers as at 30 June each year. The Ministerial Handbook details the requirement for air charter usage including a pro-forma for completion; nil returns are required.

The Ministerial Handbook will be amended to reflect changes contained in this Circular.

C. Gellatly

Director General

16 July, 1998

Appendix 3: Correspondence between the Committee and Justice O'Keefe



**COMMITTEE ON THE
INDEPENDENT COMMISSION AGAINST CORRUPTION**

Parliament House
Macquarie Street Sydney NSW 2000
Tel: 02 9230 3055 Fax: 02 9230 3309

22 October 2001

Hon Justice BSJ O'Keefe AM
Supreme Court of NSW
Queen Square
SYDNEY NSW

Dear Judge

At its meeting held on 20 September 2001, the Parliamentary Joint Committee on the ICAC considered correspondence from the current Commissioner, Ms Irene Moss, dated 26 July 2001, together with annexures in response to matters taken on notice at the Committee's General Meeting held on 27 November 2000.

The Committee noted the Commissioner's correspondence and resolved that the issues raised be discussed at the next General Meeting. The Committee also resolved that the material be authorised for publication. Enclosed for your information is a copy of the correspondence received by the Committee.

The Committee is interested in examining a number of matters arising from the material supplied by the ICAC, some of which relate to public sector guidelines for official overseas travel and ICAC practices in this respect, particularly during your term as Commissioner. The ICAC has advised that the Committee should raise with you direct any questions it may have concerning travel which you undertook in your capacity as Commissioner. Consequently, the Committee would appreciate any comment you wish to make on the following matters concerning your trip to South Africa:

1. Why was Traveforce Pty Ltd engaged to make arrangements for travel between 28 September and 16 October 1999 and by what process were they selected in preference to the use of Qantas as the Government Travel Manager?
2. Was a formal invitation made for you to attend the African Heads of State meeting referred to in your letter dated 19 July 2001 and, if so, from whom? In what capacity did you attend the meeting and at what level were you involved?

3. When precisely did you become aware that the public and observers were excluded from the said African Heads of Government meeting?
4. Was Ministerial approval sought for all the sectors of this overseas trip including the changes to the original itinerary?
5. Why is there no reference to your intention to attend the meeting in your Zimbabwe visa application form?
6. What official business did you undertake in Johannesburg and Pretoria on 3 October 1999? Specifically, what were the "consultations" in which you participated, in what capacity, and how were these "consultations" of significant benefit to the ICAC?
7. Your memorandum, dated 9 November 1999, reveals an additional charge of \$1066.80 was incurred to return earlier than planned. The same memorandum suggests that the return date was one day earlier than previously planned (i.e. Saturday instead of a Sunday). What was the reason for this alteration?
8. Bearing in mind the contents of the itineraries enclosed, what led you to the conclusion, expressed in your letter of 19 July 2001, that "there were no appropriate aircraft seats available between Sydney and Johannesburg for me and the Director of Investigations to attend the ninth IACC conference in Durban"? What do you mean by the term "no appropriate aircraft seats"?

The Committee also is interested in various wider issues raised by the correspondence. For example, the extent to which the ICAC observes public sector guidelines for official overseas travel and whether the ICAC should be subject to the *Public Sector Management Act 1988*. With regard to these wider issues, the Committee would appreciate any response you wish to make to the following questions:

1. To what extent did the ICAC during your tenure as Commissioner observe the public sector guidelines for official overseas travel e.g. class of airfare?
2. What was the practice of the ICAC in relation to the use of the public sector's official travel manager contracted by the Government (i.e. Qantas)?
3. How did the Commission deal with proposals for official overseas trips by the Commissioner or ICAC staff? For example, how did the ICAC, and you in your capacity as Commissioner, exercise a strict economy (as specified in the guidelines) in relation to overseas travel? How was it established and demonstrated that a proposed visit was essential and that the ICAC would accrue significant benefits in the foreseeable future from such travel, as required by the guidelines? What was involved in the process by which such travel was approved?
4. Was the presentation of a paper considered by the ICAC to be a minimum requirement for approving applications for ICAC officers to attend conferences, as specified in the guidelines?

5. What justifications were required by the ICAC in respect of each occasion of overseas travel, its date, purpose and costs? What information was recorded for audit purposes? Did ICAC officers formally report on each occasion of official overseas travel in addition to the details of such travel recorded in the ICAC's annual reports?
6. What processes did the ICAC have in place during this period for dealing with variations to proposed itineraries for official overseas travel? How were itinerary changes approved, in what circumstances, and what records were required to be submitted in relation to altered travel plans?
7. What criteria did the ICAC apply at this time in order to determine what constituted official overseas travel?
8. Was Ministerial approval sought for official overseas travel undertaken by all Commission officers during your term as Commissioner?

Your advice on these matters would assist the Committee in its deliberations in preparation for the next General Meeting. Please contact either myself or the Director to the Committee, Ms Helen Minnican (02 9230 2062), if you have any questions concerning this correspondence.

Yours sincerely

The Hon John Hatzistergos MLC
Chairman

encl.



*G.P.O Box 3,
Sydney, 2001*

*Judge's Chambers,
Supreme Court,
Queen's Square,
Sydney*

31 January 2002

The Hon John Hatzistergos MLC
Chairman
Committee on the Independent Commission Against Corruption
c/- Secretariat
Parliament House
Macquarie Street
SYDNEY N S W 2000

Dear Mr Chairman

Re: Claim for accommodation and meals - 4 to 7 October, 1999 - \$1769.98

I refer to previous correspondence in this matter and confirm that the travel which was undertaken by me as Commissioner between 28 September 1999 and 15 October 1999 was for the primary purposes of attending the Australian Development Bank/Organisation for Economic Cooperation and Development (ADB/OECD) first Regional Anti-Corruption Conference, a meeting of Interpol's International Group of Experts on Corruption (IGEC) and the Ninth International Anti Corruption Conference (IACC).

The ADB/OECD Conference was in Manila and as I recall extended over three days from 29 September to 1 October 1999. As Commissioner, I represented Australia at such conference, which I believe was also attended by a representative or representatives of a department of the Commonwealth. The Conference was concerned with the identification of corruption problems in the nations of the Pacific Region and it was hoped by the organisers that my experience obtained at the ICAC would be of assistance. I spoke and participated in the workshops at this conference. I have since been invited to participate in follow up conferences.

As indicated in my earlier correspondence, I had been informed that it was not possible to obtain seats at the appropriate time on aircraft to South Africa from Australia so as to be in South Africa in time for the Interpol and IACC conferences. The least expensive option was to fly from Manila to Hong Kong after the ADB/OECD Conference ended, and, after a break because of airline timetables, travel on South African Airways direct to Johannesburg. This travel was undertaken over the weekend of Saturday 2 and Sunday 3 October 1999, that is, in my own time.

If I recall correctly, the stopover in Hong Kong was less than a day, but left me enough time to make contact with the ICAC (Hong Kong), with which the ICAC (NSW) had over the period I had been Commissioner, had a good deal of contact, and from which we had a number of former officers.

I arrived in South Africa on Sunday 3 October 1999. The Interpol IGEC Meeting was scheduled to commence on Thursday 7 October 1999. Monday 4 October 1999 was a public holiday (Labour Day). It was therefore necessary for the ICAC to provide for my accommodation and sustenance during the intervening period. I was anxious to learn something of the workings of the South African Supreme Court and the South African Truth Commission, hence my journey to Pretoria.

As you will know from the Annual Reports of the ICAC, I was a member of the International Group of Experts on Corruption convened by the Commonwealth Secretariat. The purpose of this group was to formulate a report for the Commonwealth Heads of Government (CHOGM) which it was hoped would be presented for ratification at a CHOGM meeting in Australia in 2001, following the presentation of an interim report to an earlier meeting in South Africa scheduled for late 1999.

Because the cost to the ICAC of my meals and accommodation between 4 and 7 October 1999 was inevitable, it was decided that I should attempt to attend the Commonwealth Heads of Government Conference which was being held at Victoria Falls, Zimbabwe. My best recollection is that this decision was made late in the piece; after the time at which approval for travel had been obtained. At the time this decision was made, it was understood that the Conference would be open. As a member of the Commonwealth Secretariat's International Group of Experts, I did not anticipate any difficulty in attending the Conference, although I had not been officially invited to do so. During the course of the deliberations of the Commonwealth Group of Experts, corruption in Government in various parts of the African continent was discussed at length. The contrast said to exist in relation to corruption, both in fact and in attitude, in Zimbabwe - in contrast to Botswana - formed part of this discussion.

As I have already indicated, the cost of my accommodation and sustenance in the period between my arrival in South Africa and the commencement of the Interpol IGEC Meeting was a cost to the ICAC in any event. However, the cost of travel to and from Zimbabwe was an additional expense arising out of the decision. I decided to bear that additional expense myself. As Travelforce Pty Ltd was my usual travel agent, I had them make the relevant bookings. The cost of accommodation and meals was included in my claim with the relevant conversion of Zimbabwean dollars to Australian dollars being shown as "\$AUD 1 = \$Z 24".

After I had arrived in Zimbabwe I ascertained that the meeting was to be closed to all but the Heads of Government and respective staff. Enquiries as to the admission of observers from participating Nation States proved negative.

The claim made by me in respect of expenses incurred in the course of the travel between 28 September 1999 and 15 October 1999 did not include any amount for the airfare to and from Zimbabwe to which I have referred nor, if my recollection is correct, did it include the costs of accommodation and meals for the period from Monday 8 October to Wednesday 10 October 1999. My recollection is that at checkout time the hotel computer experienced a problem. This was going to lead to delay which could jeopardise catching the flight to which I had been re-scheduled. As a consequence, I left the Director of Investigations, Mr Slater, to

settle my account and I reimbursed him for this at a later date. I wrote to the ICAC seeking confirmation of this under claim, but to date have not received a response.

I do not have access to travel or other records which are held by the ICAC, however my recollection is that I was originally booked to return to Australia on South African Airlines. New South Wales Government policy, and the policy of the ICAC, was to utilise Qantas as the preferred airline if possible. A seat became available on a Qantas flight on the day preceding the date on which I was originally due to return. Because of this, and the fact that it would give me an extra day at the offices of the Commission to ensure that a large number of reports then in course of production would be completed in time for release prior to my ceasing to be Commissioner in mid-November 1999, I had the booking changed to the Qantas flight.

During my term as Commissioner, I believe I observed the public sector guidelines for official overseas travel as applicable to my office as Commissioner. I understand that the booking of air travel was ordinarily effected with Qantas through the Government Travel Service. This fell within the ambit of duties of an officer of the ICAC who was in the administrative section. If overseas travel was applied for by a member of staff, I dealt with such application in the light of the submission made and other relevant factors. These included the benefit in either specific or general terms that may accrue to the ICAC from such travel. Such overseas travel was quite limited and no doubt the records of each instance would be retained by the ICAC and could be perused by the Committee.

In considering any such application, the presentation of a paper was desirable but not essential, however this depended in part on the reason for the request from staff, the submission made, and the nature of the conference, seminar or other event to which it related. The recording of these requests, and of expenses incurred, should be in the records of the ICAC - which are not within my control.

It was my practice to seek approval from the Premier or, in his absence, the other appropriate member of Cabinet for overseas travel. I think that approval for the relevant journey came in two stages - one for the South African segment of travel, the other for the Philippine segment. As I have indicated, approval of official overseas travel undertaken by officers of the Commission was given by me.

As you will be aware from the correspondence that passed between me and my successor in office, the amount to which your inquiries initially related was \$1,769.98. I note that an additional amount of \$1,066.80 in respect of the higher fare charged by Qantas as the Government's preferred carrier, when compared with South African Airways on which I was originally booked to return to Australia, is now involved. The material above confirms my previous advices, deals with the additional amount and other more general matters raised in your correspondence under reply.

Yours sincerely

The Hon Justice Barry O'Keefe AM

Appendix 4: Documentation supplied by ICAC

