

POLICY AND PROCEDURES

Material Personal Interests and Conflict of Interest Policy

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Relevant Rule:	HSU Rule 89
Relevant Legislation:	Fair Work Act (2009); Fair Work (Registered Organisations) Act (2009)
Scope:	This policy, or parts of this policy have application to all HSU Branches

Introduction

The Health Services Union (HSU) is the union representing members employed or usually employed in the health and human service industries in Australia.

In this Policy, the HSU includes the following Branches:

- New South Wales
- South Australia/ Northern Territory
- Tasmania Branch (Trading as Health & Community Services Union)
- Victoria No.1 Branch (Trading as Health Workers Union)
- Victoria No.2 Branch (Trading as Health & Community Services Union)
- Victoria No.3 Branch (Trading as Victorian Allied Health Professionals Association)
- Victoria No.4 Branch (Trading as Medical Scientists Association of Victoria)
- Western Australia

Policy Statement

HSU National Officers and employees are expected to uphold the integrity of the Union in the highest manner when undertaking their duties and in their undertakings with members, employers, outside organisations and suppliers.

HSU National Officers and employees must behave honestly and with integrity in the course of their employment or duties.

HSU National Officers and employees must disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with Union employment or duties.

HSU National Officers and employees must not make improper use of inside information or use their duties, status, power or authority in order to gain, or seek to gain, an improper benefit or advantage for themselves or for any other person.

HSU National Officers and employees must at all times observe The Financial Responsibilities of Officers as determined by the Rules of the Union.

Branch Policy

Where a Branch does not have a policy consistent with this policy, this policy will apply to that Branch substituting the Branch structures, officers and employees with those contained in this policy where appropriate.

Definitions

‘Administration Manager’ means person appointed to manage the HSU National Office on a day to day basis and appointed as such by resolution of the Executive.

‘conflict of interest’ includes:

- a) an actual conflict of interest, where a material interest interferes with the proper performance of the duties of the employee or member, and
- b) an apparent conflict of interest, where it could be perceived by others that a material interests of the member interferes with the proper performance of the duties of the member, whether or not this is in fact the case, and
- c) a potential conflict of interest, where the material interests of the member could interfere with the proper performance of the duties of the member in the future.

‘Council’ means the National Council of the HSU.

‘employee’ means HSU National employee.

‘Executive’ means the National Executive of the HSU.

‘Finance Committee’ or **‘Committee’** means the National Finance Committee of the HSU

‘Financial Controller’ means the person appointed to manage and operate the financial accounts of the Union on a day to day basis and appointed as such by resolution of the Executive.

‘HSU National’ or **‘National’** means National Office of the HSU.

‘HSU Rules’ means the rules of the HSU registered in accordance with the Act.

‘immediate family’ means any child, stepchild, parent, stepparent, spouse (including defacto), sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, and any person (other than a tenant or employee) sharing the household of the National Officer or employee.

‘material personal interests’ means the National Officer or employee has a material personal interest in a matter if a determination of the National Council, National Executive, National Finance Committee or Committee established by National Council or National Executive in the matter may result in a detriment being suffered by or a benefit accruing to the National Officer or employee or an associate of the National Officer or employee and includes possible material personal interests where a National Officer or employee could reasonably be taken to have a conflict of interest (perceived conflict of interest). A material personal interest conflict exists where there is a conflict between a National Officer or employee’s duties and responsibilities, and their private interests whether financial or not.

‘National Officer’ or **‘Officer’** whether paid or not, has the same meaning as the phrase ‘officer of an organisation’ in Division 3A of Part 2 of Chapter 5 of the *Fair Work (Registered Organisations) Act 2009*.

'National Secretary' means person elected by National Council as such in accordance with rule 23B to act in accordance with responsibilities under rule 26 of the HSU Rules.

'other approved person' means person/s approved by the National Secretary, Executive or Finance Committee.

'related party transaction' means a transaction in which HSU or HSU subsidiary was, or is proposed to be, a participant and in which a related party has, had or may have a direct or indirect material personal interest.

'transaction' means any financial transaction, arrangements or relationships (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.

'The Act' means the *Fair Work (Registered Organisations) Act 2009*.

Policy

1. Introduction

- 1.1 The Health Services Union (HSU) National Executive recognises that Related Party Transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the HSU's and members' best interests. Therefore, this policy regarding Related Party Transactions and Conflict of Interest has been adopted by the National Executive in order to establish:
- (a) the guidelines under which certain transactions must be reviewed and approved or ratified by the National Executive ; and
 - (b) the disclosure requirements for Related Party Transactions.

2. Statement of Material Personal Interests

- 2.1 An employee and a national officer of the Union, upon appointment or election, must complete a Statement of Material Personal Interests using the form set out in Schedule 1. If the employee or national officer has nothing to declare they must submit a nil return.
- 2.2 An employee and a national officer of the Union shall advise the National Secretary in writing of any changes, additions or variations to the Statement of Material Personal Interests within one month of any change of circumstances using the form set out in Schedule 1.
- 2.3 Only current material personal interests must be declared, however, where a past material interest may, or may be seen, to interfere with the proper performance of the duties of the member, such past interests must also be declared.
- 2.4 Correction of Statement in Relation to an Associate
- (a) An associate of a national officer or employee whose material interests have been declared has the right to request the National Secretary to supply that part of a Statement of Material Personal Interests containing information about that associate and to request corrections be made to a Statement of Material Personal Interests if any personal information of that associate is inaccurate.
 - (b) In supplying a copy of that part of a Statement of Material Personal Interests under subclause 2.8(a), the National Secretary shall ensure that any personal information not relating to that associate requesting access is restricted to protect the privacy of members and any other associate.

3. Declaration of Material Personal Interests

- 3.1 Notwithstanding any declaration of material personal interests contained in a Statement of Material Personal Interests, where:
- (a) a national officer or employee has a material personal interest in a matter being considered or about to be considered at a meeting of National Executive, National Council, National Finance Committee or a Committee established by National Council or National Executive, and
 - (b) the interest appears to raise a conflict with the proper performance of the national officer or employee's duties in relation to the consideration of the matter,
- the national officer or employee must, as soon as possible after the relevant facts have come to the employees or member's knowledge, disclose the nature of the interest.
- 3.2 Where a declaration of material personal interests involves a financial interest or transaction by a national officer or employee the meeting shall review the material facts of the transactions or interest associated with the Material Personal Interests Declaration. In assessing a related transaction or interest, the meeting shall consider such factors as it deems appropriate including without limitation:
- (a) the benefits to the Union of the transaction;
 - (b) the commercial reasonableness of the terms of the transaction;
 - (c) the extent of the national officer or employee's interest in the transaction;
 - (d) the impact of the transaction on an national officer or employee's independence; and
 - (e) the actual or apparent conflict of interest of the national officer or employee's association with the transaction.
- 3.3 If a national officer or employee has a direct material personal interest in any matter pending before a meeting of the National Union, the national officer or employee shall disclose such interest to the meeting and shall not vote on the matter and shall not attempt to influence the decisions of other members, except that the person shall provide all material information concerning the material personal interest to the meeting.
- 3.4 If a transaction that is the subject of a material personal interest declaration will be ongoing, the meeting may, in its discretion, establish guidelines for the National Secretary to follow in their ongoing dealings with the national officer, employee or associate. The National Finance Committee shall periodically review and assess ongoing relationships with the national officer, employee, or associate to see that they are in compliance with any guidelines established.

- 3.5 The National Secretary shall restrict access to business papers or documents
- (a) Where, in the opinion of the National Secretary a matter being considered, or about to be considered, by members (whether at a meeting or not) may constitute a conflict of interest with the material personal interests declared by a national officer or employee, the National Secretary shall take necessary steps to ensure appropriate restricted access to the relevant business papers or documents to that national officer or employee.
 - (b) Where a national officer or employee receives information or documents that may constitute a conflict of interest, the member shall return the information or document and advise the National Secretary of the nature of the conflict of interest in writing.

3.6 Declaration to be recorded in Meeting Minutes

- (a) Where a national officer or employee has declared a conflict interest or a material personal interest to a national meeting, the details of the declaration must be recorded in the minutes of the meeting.

4. National Secretary Declaration of Material Personal Interest

- 4.1 Where the National Secretary is the officer who declares a material personal interest and it is inappropriate for National Secretary to perform those functions assigned by this Policy, the National President shall perform those functions.

5. Compliance and Review of this Policy

- 5.1 A substantial or repeated breach of this policy by an Officer or employee covered by the scope of this policy will be deemed to be a disciplinary offence, in the case of an employee, or misconduct under the rules of the HSU, in the case of a National Officer.
- 5.2 At least biannually, the National Finance Committee will undertake a review of the operation of this Policy and Procedures to ensure that the policy is adequately regulating the financial governance of the HSU and that the policy is being fully complied with and report the findings of the review to the National Executive.
- 5.3 The National Finance Committee and the National Executive will each have a standing 'Governance Issues' agenda item for each meeting to provide a regular forum for the discussion of union governance issues.
- 5.4 The National Secretary will ensure that all relevant policies and procedures are made available to Officers and employees and that appropriate training (including an induction process) is offered to ensure they understand the union's financial policies and procedures and their own responsibilities.

END

Schedule 1

STATEMENT OF MATERIAL PERSONAL INTERESTS

DECLARATION

I, _____, declare that to the best of my knowledge and belief, the attached Statement of Material Interests contains a complete and accurate statement of relevant material interests and those of my associates.

UNDERTAKING

I hereby undertake that so long as I am:

- (a) a member of the National Council, and/or;
- (b) a member of the National Executive, and/or;
- (c) a member of the National Finance Committee, and/or
- (d) a member of any Committee established by National Council or National Executive;

I will notify the National Secretary of any change or addition, coming to my knowledge, to any information declared in the attached Statement of Material Personal Interests within one month of such change or addition occurring.

Signature of person making the declaration

Date on which declaration is made on

Schedule 2

STATEMENT OF MATERIAL PERSONAL INTERESTS

Note: You are only required to declare material interests if they are of such a nature that they may be seen to give rise to a conflict with your duties as an employee, National Officer or member of National Executive National Council, National Finance Committee or any Committee established by the National Executive or National Council.

Relevant material personal interests may include:

1. Securities including shareholdings and interests in trusts (eg. shares in companies with which the Union does, or intends to, conduct business)
2. Interests in real estate or other real property where the Union is proposing to invest
3. Directorships in companies or associations (eg. a company that does business with the Union)
4. Income sources (eg. Income from a lobby group, company, professional association, or other body who may have an interest in influencing Union decision making or income from consultancy or employment with the Union), and
