NEW RESEARCH CONFIRMS IMPORTANCE OF WHISTLEBLOWING LAW REFORM

Australia’s largest whistleblowing research project has released preliminary results confirming the burning need for comprehensive but well-informed reform of the nation’s whistleblowing laws.

The snapshot of whistleblowing processes and procedures across 702 public sector, business and not-for-profit organisations from Australia and New Zealand, was collected by the Whistling While They Work 2 Project between April and July 2016, and is the largest cross-section of organisations to participate in a single survey to date, anywhere in the world.

It is also the first survey to systematically compare self-reported evidence from organisations on their whistleblowing processes, across the public, business and not-for-profit sectors alike.

Whistling While They Work 2 involves Griffith University, University of Sydney and Victoria University of Wellington. It is supported by the Australian Research Council and 23 partners including the Australian Securities and Investments Commission, CPA Australia, Transparency International Australia, and the leading public integrity agencies of all Australian and New Zealand jurisdictions, including launch host, the NSW Ombudsman.

Project leader Professor A J Brown, of Griffith University’s Centre for Governance & Public Policy, said the first results confirm the importance that organisations of all types are placing on processes for encouraging employees to report wrongdoing, but also point to areas of challenge to be focused on in the next stage of research, as well as in law reform.

Among the highlights:

- 90% of organisations reported having processes for ensuring appropriate investigations or management actions in response to wrongdoing concerns raised by staff
- 89% indicated they had formal, written whistleblowing procedures or policies, and
- 76%, including 79% of private sector businesses, responded that they accepted anonymous wrongdoing concerns – i.e. acted ‘without requiring staff members to identify themselves’.

“This welcome result shows just how badly law reform is needed,” Professor Brown said. “Currently, narrow protections such as in Australia’s Corporations Act don’t even allow for anonymous reporting.”

“If our laws are to support the scale and diversity of organisations’ existing efforts to use whistleblowing as a tool of good governance, such results show they need fundamental reform.”
Other results point to key gaps:

- 26% of businesses and 36% of not-for-profit organisations (23% of all organisations) had no particular system for recording and tracking wrongdoing concerns.
- 33% of businesses and not-for-profit organisations (23% of all organisations) did not currently have any strategy, program or process for supporting and protecting staff who raise concerns.
- 49% of businesses and 51% of not-for-profit organisations (38% of all organisations) indicated they did not assess the risks of detrimental impacts that staff might experience from raising wrongdoing concerns, either at all or until problems began to arise.
- Only 39% of businesses and 32% of not-for-profit organisations (46% of all organisations), provide potential whistleblowers with access to a management-designated support person inside the organisation as part of their response; and
- Only 17% of businesses, 17% of public agencies and 13% of not-for-profits (16% of all organisations) have any mechanisms for ensuring adequate compensation or restitution if staff experience reprisals or other detriment after raising wrongdoing concerns.

"Even when trying hard to encourage their staff to report, too many organisations clearly lack the specific guidance and incentives they need to realise their own goals of actual protection," Professor Brown said.

"Although most governments have modernised their whistleblowing regimes, the results point to a need for further reform and stronger oversight even in the public sector – but for the private and not-for-profit sectors, a well-informed legislative overhaul is now especially overdue."


"The time has never been better for a comprehensive approach, rather than piecemeal extension in different regulatory areas – given that in at least 87% of businesses, reporting procedures already extend across a broad spectrum of reporting, such as fraud, corruption, abuse or mistreatment of customers, and health, safety and environmental dangers," Professor Brown concluded.

Along with further analysis of the first survey, the next stage of the research includes a more in-depth phase, Integrity@WERQ, thanks to the ongoing cooperation of many participating organisations.

For more details and the full report:

www.whistlingwhiletheywork.edu.au