

# Fraud Strategy Statement

## Coal LSL's commitment to Fraud Management

Coal LSL is a Commonwealth Corporate Entity subject to the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

Coal LSL formally adopted a Fraud Policy in 2010 in respect of its administration of the Coal Mining Industry Long Service Leave Fund (Fund), which is reviewed annually. This policy addresses the Board's duties under the PGPA Act and Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) as the accountable authority of the Corporation, in particular, the Board's duty under section 15 of the PGPA Act to govern the entity in a way that:

- promotes the proper use and management of public resources for which the Board is responsible;
- promotes the achievement of the purposes of Coal LSL; and
- promotes the financial sustainability of Coal LSL.
- the Board's duty under section 16 of the PGPA Act to establish and maintain appropriate systems of risk oversight and management and internal control; and
- the Board's duty under section 10 of the PGPA Rule to take all reasonable measures to prevent, detect and deal with fraud relating to the entity.

Fraud has the potential to damage the reputation of Coal LSL, and to limit the resources available to meet its statutory and other responsibilities.

Coal LSL does not tolerate fraud or other serious unethical behaviour and is committed to pursuing sanctions and remedies including referral of matters to the Commonwealth Department of Public Prosecutions. Restitution of money or property lost through fraudulent activity will be pursued through legislative means.

Coal LSL's desired outcome is to minimise the probability of fraud by the adoption of a robust approach that identifies and effectively mitigates fraud risk, and ensures assurance from service providers of the same.

Coal LSL, and its' Service Providers have the responsibility to:

- identify, set priorities, manage risk, control cost, monitor and improve processing systems, institute proper controls and foster an ethical work environment.
- take into account the risk of fraud in planning and conducting Coal LSL's activities, including:
  - managing the collection of levies payable by employers to Coal LSL;
  - reimbursing employers for payments of long service leave to their employees;
  - investing monies comprising the Fund; and
  - developing or updating Coal LSL's policies.

Coal LSL and its Service Providers are expected to behave ethically and be responsible for minimising the incidence of fraud against Coal LSL. All reports of suspected cases of fraud will be treated as confidentially as possible and action appropriate to the suspicious activity will be taken.