

WATER CORPORATION — CHAIRMAN — RCR TOMLINSON

669. Mr D.J. KELLY to the Minister for Water:

I refer to the minister's admission on ABC radio on 27 August 2015 that the chair of the Water Corporation, Eva Skira, participated in the decision to put its engineering and construction division up for sale, despite that decision directly creating an opportunity for RCR Tomlinson, of which she is also a director, to bid for and ultimately purchase that asset.

- (1) When did the minister first become aware of the position of the Water Corporation's chair in relation to the sale?
- (2) At what point did Ms Skira remove herself from RCR Tomlinson's consideration and possible purchase of that asset?
- (3) Does the minister accept that Ms Skira had a conflict of interest when she participated in the decision to put the asset up for sale when at the same time she was a director of a company that was likely to bid for that asset?

Ms M.J. DAVIES replied:

- (1)–(3) The argument being put by the opposition is that we should not have experienced people with connections to the —

Dr A.D. Buti interjected.

The SPEAKER: Member for Armadale!

Ms M.J. DAVIES: The argument being put by the opposition is that we should not have experienced people with connections to industry on any of our boards, and it is also calling into question the ethics and capability of government and a government board to appropriately manage complex issues.

Several members interjected.

The SPEAKER: Members!

Ms M.J. DAVIES: It is absurd. If the argument the opposition is putting forward is followed, it would be said that Eva should not be on the board of the Water Corporation at all.

Ms M.M. Quirk: On first name terms, are we?

Ms M.J. DAVIES: Ms Skira.

The argument is that there should not be anyone with experience related to the industry.

Several members interjected.

Ms M.J. DAVIES: It absolutely is. The whole point of having the board is that we do have people, in the Water Corporation's case, with expertise in engineering and construction, of which Ms Skira has both, and she has experience in governance and business here in Western Australia and also across the nation.

Dr A.D. Buti interjected.

The SPEAKER: Member for Armadale.

Ms M.J. DAVIES: That was the case under the ALP's government as well: there were people on its boards who from time to time would have experienced conflicts in the decisions they were making.

Mr W.J. Johnston interjected.

The SPEAKER: Member for Cannington!

Ms M.J. DAVIES: Absolutely; the opposition cannot be suggesting that this is the only time we have ever come up with a conflict—absolutely not. Although it can lead to potential conflicts, the Water Corporation's board put in place mechanisms to manage that conflict and I am confident it had the appropriate mechanisms in place to manage that. An independent probity auditor was appointed back in June and they are still in place, so I am confident that the Water Corporation's board has managed this appropriately.

Dr A.D. Buti interjected.

The SPEAKER: Member for Armadale, I call you to order for the first time.

Ms M.J. DAVIES: The Water Corporation's board is made up of highly experienced, respected professional directors, as would be expected of a board that has responsibility for a very precious resource in this state and

a significant budget. It put in place appropriate probity and managed that conflict on behalf of Ms Skira and any other board member who has a potential conflict in any of the processes it goes through.