[COUNCIL - Thursday, 13 November 2008] p265a-271a

Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Dr Sally Talbot; Hon Ken Travers; Deputy President; Hon Jon Ford

ADJOURNMENT OF THE HOUSE

Special

On motion without notice by Hon Norman Moore (Leader of the House), resolved —

That the house at its rising adjourn until Tuesday, 25 November 2008.

Ordinary

HON NORMAN MOORE (Mining and Pastoral — Leader of the House) [5.03 pm]: I move —

That the house do now adjourn.

Sonia Simone Bunic — Adjournment Debate

HON LJILJANNA RAVLICH (East Metropolitan) [5.03 pm]: It has been a privilege in my role as a parliamentarian to meet thousands of wonderful people in this state. Although everyone is unique and special in their own way, every so often I meet people who really strike me as unique and are, in that sense, definingly different from others. I rise today to pay my respects to one such person who, sadly, passed away yesterday and who will be very much missed by all who knew and loved her. The passing of Ms Sonia Simone Bunic was a true shock to her family, friends and the state's vocational education and training sector.

Sonia was born in East Fremantle in 1955 to Joe and Domena Grgurich. She excelled at school and graduated from Curtin University of Technology in 1993 with a Bachelor of Commerce. During her study at Curtin University she was twice named on the Vice-Chancellor's list, and she was awarded the Butterworth prize for industrial law and the Australian Human Resources Institute prize for academic excellence. Her experience in the vocational education and training sector covered 15 years, primarily in the area of quality assurance and the recognition of training. She first joined the vocational education and training sector as an overseas qualifications officer with the then Department of Training in 1993. Since then, she has made a significant contribution to the vocational education and training sector in Western Australia through her work for the Department of Education and Training, through her role as executive officer to the Training Accreditation Council and during her time as ministerial adviser on vocational education and training to the then Minister for Education and Training, Hon Mike Board. She also provided executive support to the ministerial review of the interface between education and training, referred to now as the Tannock review, in 1993. Sonia held the position of executive officer to the Training Accreditation Council while holding the position of director of the education and training regulation directorate of the Department of Education Services. Most recently, she worked with the executive of Challenger College of TAFE to assist that college to achieve gold status under the Australian Quality Training Framework excellence criteria—one of only six TAFE colleges in Australia to do so.

Sonia will be remembered for many things, especially her quick wit, her sense of honour, her passion for improving vocational education and training, her devotion to her family and community and her honesty and integrity, which were monumental. While I was Minister for Education and Training I became more aware of the outstanding achievements of Ms Sonia Bunic and her total commitment to serving others, whether through her work, in her community or amongst her friends—they could always rely on Sonia. I last visited her at the Murdoch Hospice only four weeks ago. We spoke at length and she was sure she was getting better and was very much looking forward to going home to her family and friends whom she so much cherished; such was her optimism even at this late stage of her illness. Sonia passed away yesterday after a long, hard-fought battle with cancer. Her untimely passing is a great loss to many people and to vocational education and training in Western Australia.

 ${\it Minister for Environment-Conflict of Interest-Adjournment Debate}$

HON SALLY TALBOT (South West) [5.08 pm]: I rise to talk about some of the events of this week. As honourable members would have noticed, I have asked a series of questions of the Minister for Environment about her conflict of interest issues. I have asked a series of quite straightforward questions and I think today we began to make a tiny bit of headway, although it was a little confusing to be told that the minister did not actually write the letter that she signed, and that some of the information in the letter was not actually what she was putting into practice. Until then, her main response has been a kind of outraged assumption that we are having some sort of personal go at her integrity, which of course is far from the case. I will make a few remarks about where the opposition is trying to get to here so that the minister can reflect on this in the next week before we come back to this place. It seems to me that she does neither herself nor her role as a minister of state any great credit by failing to answer these straightforward questions.

Nobody would be happier than I to be able to move on from this issue. I have a raft of questions to put to the minister. Before the election, the Liberal Party was talking about a high-level ministerial task force to review all

[COUNCIL - Thursday, 13 November 2008] p265a-271a

Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Dr Sally Talbot; Hon Ken Travers; Deputy President; Hon Jon Ford

environmental legislation. I want to know what is happening with that. I want to know what is happening with Roe 8, which apparently involves building a road through one of our great wetlands. I want to know about lead exports and the Great Western Woodlands. I have a lot of stuff I want to get to, but, instead of that, we are stuck on how the minister will handle this conflict of interest situation.

I detect in the minister's attitude to the questions that we have put to her that she thinks the identification of a conflict of interest is, in itself, a major problem, and somehow she wants to brush it aside and not talk about it. I refer the minister—probably several government members might benefit from reading this—to a document on the Corruption and Crime Commission's website that was put together by the Integrity Coordinating Group and is entitled "Conflict of Interest Guidelines". If the minister has a brief look at this document she will find on the front page a question and answer section. One question is —

Is it wrong to have a conflict of interest?

The answer is —

It is not always possible to avoid a conflict of interest ... A conflict of interest in itself is not necessarily wrong, or unethical. However, identifying and managing the situation is important.

I think the minister might find some comfort in that. I do not know whether she would find much more comfort in the document. The document provides six "Ps" and six "Rs" as a guide to managing a conflict of interest. The minister will have a little heart flutter when she reads that the last "R" is to resign. We might be able to manage things before we reach that stage.

The minister and I agree on a very fundamental proposition; that is, that she does have a conflict of interest. My view is that conflicts of interest—just as is suggested in the document to which I have referred—can be managed. How can we manage them? Members can read this document if they want, but it boils down to this: members need to be open and transparent. That means answering questions; not hiding behind a kind of mock outrage by saying, "Are you having a go at me?", or "What is wrong with my integrity?"

It appears that when the Premier was bowled up on this question, he talked about the minister being an outstanding young woman and asked what the opposition has against her. We do not have anything against her personally. She might well be an outstanding young woman, although if I were her I would be asking myself why the Premier had saddled me with the environment portfolio. It seems to me that if she had any ability, she should have been forging ahead and we would not have had to spend all this time trying to drag out of her how she will deal with this issue.

The minister has put her finger on the nub of the question: it is not just about actual conflicts of interest; it is about perceptions. We have asked her some straightforward questions this week. We have asked: what current issues is she not handling at the moment because of the conflicts of interest; what future issues might she not be handling; how will she identify which issues she cannot handle; and how will her conflict of interest be managed in relation to Woodside's partners?

We are gradually dragging some information out of the minister. So far we have got out of her that she will not be involved in any approvals processes that concern Woodside; she will withdraw from cabinet discussions on matters in which Woodside has an involvement; and she will withdraw from making any decisions on matters in which Woodside has an involvement. The minister has also said somewhere that she would not be involved in any actual decisions in which Woodside is involved. So far, so good. But all the questions we have asked this week refer directly to situations apart from those in which the perception of a conflict of interest will arise. These are situations in which the minister's personal or private interests might be perceived to be affecting her ability to be objective in her responses.

It is all very well for the minister to say her husband has been relocated within Woodside and is not working on Western Australian-based projects. We all know that the oil and gas industry is like a big family. It is like a family tree. This week I have been drawing the lines between various companies. They are inter-related. Woodside has the Sunrise project and other joint ventures. It has a joint venture with ConocoPhillips, which has its head office right here in Perth. It might be a Northern Territory based operation and the oilfield might be in the Timor Sea, but its head office is in Perth. One of Woodside's other joint ventures is with Shell. Shell, as we all know, provides technical advice to Woodside. Shell is also a joint venture with Woodside in the North West Shelf and Browse Basin projects. The list goes on. The minister knows as well as any one of us in this place knows how this family tree goes.

From what the minister has said, as I said, so far, so good. It might be fine for her to step back from decisions directly involving Woodside. The minister, however, must realise that she is now a very important person. She is in charge of making important decisions that will change the nature of our state and the environment in which our children and grandchildren grow up. She is not playing student politics now. Now that she is playing in the

[COUNCIL - Thursday, 13 November 2008] p265a-271a

Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Dr Sally Talbot; Hon Ken Travers; Deputy President; Hon Jon Ford

big league, she must consider the questions that will be bowled up to her. She must make momentous decisions. People will make momentous decisions on the basis of what she says or what she does not say. They will be hanging on her every word. They will be watching her body language in these meetings. I suggest to the house that the issue at stake here is all about maintaining public confidence in the integrity of the environmental approvals process in Western Australia and about maintaining confidence in the system of environmental management in this state. It is not about the minister; it is not even about the government—it is about maintaining the integrity of the decision-making process in Western Australia with respect to the environment.

I want to leave those thoughts in the minds of members and hope that when we come back we can get a better idea of how the minister is handling this difficult situation.

Minister for Mines and Petroleum — Conflict of Interest — Adjournment Debate

HON KEN TRAVERS (North Metropolitan) [5.16 pm]: I too want to make some comments on the answers that we received during questions without notice today. One thing about being a member of this place for long enough is that we recall the advice members have given to the house in the past. During question time today I recalled very vividly the many times that Hon Peter Foss stood in this place and reminded those of us who are now in opposition about our responsibilities and reminded ministers about their responsibilities. One thing I recall Peter Foss telling us was that we could not hide behind anybody else when we were answering questions. I was not a minister but he even told parliamentary secretaries that they could not hide behind anybody else. For instance, he reminded us that it was not about whether anyone else had written the answer to a question; it was about it being the member's answer and the member had to accept responsibility for it. A minister could not run away and hide behind legal advice or anyone else. The minister had to make the decision and had to determine what was right and what was wrong. Yet, what happened this afternoon? The Leader of the House stood in this place and said that he had dealt with the conflict of interest issue based on legal advice and that we should ask the lawyers if we wanted any more clarification—legal advice that he would not even table in this house. It is true that legal advice is not automatically tabled in this place.

Hon Norman Moore: It's never tabled, and you know that.

Hon KEN TRAVERS: Legal advice has been tabled in this place before and Hon Norman Moore knows that. It is not common; I accept that. However, I would have thought in the circumstances that we might have been given a clearer answer both on the legal advice and the circumstances in which they came about.

Hon Norman Moore: Are you calling me a liar?

Hon KEN TRAVERS: No.

Hon Norman Moore: I have told you exactly what the legal advice provided. Are you calling me a liar?

Hon KEN TRAVERS: No, because if Hon Norman Moore would listen —

Hon Norman Moore: Come on; just say it if you believe it.

Hon KEN TRAVERS: It may get to that point but I have not got to that point yet.

Hon Norman Moore: Well, try it some time.

Hon KEN TRAVERS: I have not got to that point yet but I may get to that point. All I have been doing is asking Hon Norman Moore questions and getting no answers from him. We have been told by members of this house time and again that often the legal advice we get depends on the questions we ask for that legal advice. It is not my job to make the case; it is the responsibility of the minister to ensure that he is in compliance with the code. I want to talk about —

Hon Ray Halligan interjected.

Hon KEN TRAVERS: The member should just be quiet.

Several members interjected.

THE DEPUTY PRESIDENT (Hon Sheila Mills): Members! Members, control yourselves. Hon Ken Travers has the floor; other members should stop interjecting.

Hon KEN TRAVERS: Thank you, Madam Deputy President.

It is about ministers accepting responsibility. I turn to the government of Western Australia ministerial code of conduct from August 2006.

Hon Simon O'Brien: You'll never have to apply it, so why waste your time?

[COUNCIL - Thursday, 13 November 2008] p265a-271a

Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Dr Sally Talbot; Hon Ken Travers; Deputy President; Hon Jon Ford

Hon KEN TRAVERS: I am glad Hon Simon O'Brien believes that. Section 5 is entitled "Conflicts of Interest". It states in part —

Public duties must be carried out objectively and without consideration of personal or financial gain. Circumstances which could give rise to a serious conflict of interest are not necessarily restricted to those where an immediate advantage will be gained.

A little further along, under the heading "Disclosure of Pecuniary and Other Interests", the code states —

To assist in the avoidance of any conflict of interest arising, a Minister shall disclose to the Cabinet Secretary all pecuniary and other interests.

For the benefit of members, further down the page the code states —

• at the same time, a statement disclosing all the pecuniary and other interests of the Minister not already disclosed in their return, as well as the pecuniary and other interests of the Minister's spouse, de facto partner and all dependent members of the Minister's family.

I turn now to section 7, entitled "Divestment of Conflicting Positions". It states in part —

Immediately after appointment, Ministers shall take action to divest themselves of shareholdings in any company and interests in partnerships and trusts, by virtue of which a conflict exists, or could reasonably be expected to exist, with their portfolio responsibilities.

As I mentioned in the question I asked earlier, we have already heard that the Deputy Premier has divested himself of interests that created a conflict with his portfolio responsibilities. Hon Norman Moore has made it quite clear that he had an interest in a trust that owned shares in BHP. What did he do? He divested them by removing himself from that trust and turning the trust over to become a vehicle solely for his wife. One might say that that is fair enough. However, what does section 7 of the ministerial code of conduct state? It states —

The transfer of interests to a spouse, de facto partner or dependent family member or to a nominee or trust is not an acceptable form of divestment.

Let us go back and read some of the key points of this document one more time. The code states —

... not necessarily restricted to those where an immediate advantage will be gained.

It may not be clear that there is an immediate advantage in holding BHP shares through a trust. I make it very clear that I do not for a moment discount the view of the Leader of the House that the money came from his wife's superannuation when she retired and was put into the trust. However, as he has explained to the house, it was put into a joint trust that would be there for his benefit after his retirement. Again, the code of conduct states, under "Conflicts of Interest" —

They may instead take the form of a promise of future benefit, such as a promise of post-parliamentary employment.

They are key points. Hon Norman Moore may not gain an immediate advantage, but there is the potential for an advantage to be gained. It may be about a promise for the future. It is a conflict of interest, and therefore it cannot be resolved by divesting it to one's spouse, de facto, nominee or a trust. That is why it was so important for the Leader of the House to stand in this place today and explain to members exactly the legal advice that he had relied upon, to make sure and to assure this house that the legal advice he had relied upon in his answers to the questions throughout this week very clearly covered the points raised in this ministerial code of conduct—he did not do it! Week one, and he did not do it! For a government that claimed that it was going to be accountable and it was going to set the bar right up around my head, not down around the head of others in this chamber —

Several members interjected.

Hon KEN TRAVERS: Up around my head—that is where the bar was going to be set, nice and high. Week one, it failed. Week one, it has not passed the test. It has not even come close to the test. It is crawling down on the floor around this chamber—that is where bar is set. It is the limbo dance to end all limbo dances. It is not an accountable government. In week one it failed. In week one it started to close down question time. We used to have 45 minutes for question time; this week we were lucky to get 35 minutes. This week we could not get straight answers out of the Minister for Mines and Petroleum about his legal advice to confirm to this house what the situation was. On face value, he clearly has a conflict of interest: he has clearly not divested himself in accordance with the ministerial code of conduct. Many questions remain unanswered. It is a government that has failed the test in week one, and I hope it can lift its game over the next four years.

Ministers of the Crown — Conflict of Interest — Adjournment Debate

[COUNCIL - Thursday, 13 November 2008] p265a-271a

Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Dr Sally Talbot; Hon Ken Travers; Deputy President; Hon Jon Ford

HON NORMAN MOORE (Mining and Pastoral — **Leader of the House)** [5.26 pm]: The histrionics of the last two speakers are extraordinary. What have opposition members got against successful people? What have they got against somebody being married to somebody who works for a company? What have they got against a person who works for 30 years or 40 years in the Department of Education and Training and looks after her own interests related to her superannuation?

Hon Sue Ellery: Absolutely nothing! **Hon Ken Travers**: Nothing at all!

Hon NORMAN MOORE: The opposition has, because it is saying today that my wife should sell her shares because she is married to me, or I should resign. That is what it is saying today.

Several members interjected.

The DEPUTY PRESIDENT (Hon Sheila Mills): Members! Hon Ken Travers has had his say.

Hon NORMAN MOORE: He cannot keep his mouth shut; that is his problem. The trouble is, he does not turn his brain on before he opens his mouth. That is half his problem.

I have already said to this house on about 15 occasions over the past week that I have asked for legal advice in respect of my wife's superannuation funds and my relationship to that fund. I have legal advice from the State Solicitor's Office which I requested, and the legal advice has been relayed to the opposition on countless occasions. I do not know how many more times I have to tell the opposition. He has advised me to withdraw from the fund, which I have. I now no longer have an interest in any of the assets of that fund. That is what the State Solicitor advised me to do.

I was also advised, as I have also explained to the house, that whenever an issue arises concerning any of the companies in which my wife has shares, I need to declare that when making any decisions in cabinet, and I need to either withdraw or seek advice as to how I need to deal with those matters. That is exactly what I intend to do. The department that I am responsible for has been advised that I am to be advised whenever any issue relating to any of those companies is brought to my attention, or I need to be involved, and I will take appropriate action to avoid any potential conflict of interest.

I am getting increasingly irritated at the impression being created by the opposition that somehow or other Hon Donna Faragher and I have some sort of a desire to ensure that any shares my wife has are significantly increased in value because of some decision I make, and that Hon Donna Faragher is going to somehow or other benefit because her husband works for Woodside. That is absurd. It suggests that we have the wrong motives. Your problem, Mr Travers, is that you ascribe to other people the motives that you have. You think that everybody else thinks the same way that you do. I have to say to you that thank God they do not.

Hon Ken Travers: What exactly are you trying to say?

Hon NORMAN MOORE: I am saying that Hon Ken Travers believes that other people behave in the way that he behaves. Half the problem is that many of his former colleagues are no longer colleagues because of their behaviour. That is the way that he thinks, and he thinks that everybody else behaves that way. That is not the case.

Hon Ken Travers: No. If you reckon you have an allegation, make it against me. Don't use throwaway lines like that.

Hon Simon O'Brien: We've seen your colleagues over the years.

Hon NORMAN MOORE: Yes; exactly right.

Hon Ken Travers: We're watching your colleagues at the moment, Simon O'Brien, failing to divest their interests in accordance with the code of conduct.

Hon Simon O'Brien: Get off the grass!

Hon NORMAN MOORE: I do not know how many times I need to explain this, but this is going to be the last time, because I reckon that if after 10 times Hon Ken Travers still has not understood, then 11 times will not help him. I have done everything in accordance with the law and in accordance with the advice provided by the State Solicitor, who is the government's legal adviser.

Hon Ken Travers interjected.

The DEPUTY PRESIDENT (Hon Sheila Mills): Hon Ken Travers, please!

[COUNCIL - Thursday, 13 November 2008] p265a-271a

Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Dr Sally Talbot; Hon Ken Travers; Deputy President; Hon Jon Ford

Hon NORMAN MOORE: There is a standing order that says that incessant, constant repetition in interjections is out of order. Your problem, Mr Travers, is that you never spend enough time listening, because your mouth is wide open and your ears are shut.

Hon Ken Travers: You always get into personal abuse.

Hon NORMAN MOORE: That is what happens when I am talking about you, because you have your mouth open and your ears closed and you cannot understand what is being said. For the tenth time—

Hon Ken Travers interjected.

Hon NORMAN MOORE: For the eleventh time I will say that I have done exactly what I have been required to do about my ministerial responsibilities, and I have taken the proper advice and implemented that advice. If you do not like that, Mr Travers, that is your problem, not mine.

Hon Ljiljanna Ravlich: He's really got under your skin.

Hon NORMAN MOORE: He has because he is that sort of a person. Fleas get under a person's skin, too.

Hon Ljiljanna Ravlich: Just be open.

Hon NORMAN MOORE: That is the effect they have on a person, and that is the effect Hon Ken Travers has on me, I regret to say. He brings out the worst in me, and I suspect he does the same to many other people. It is just his nature and the way he behaves.

I am not going to continue to answer this question any longer, other than to say to Hon Ken Travers for the last time that I have fulfilled to the letter the advice provided to me by the State Solicitor, and I will continue to do what I am required to do in respect of that advice. I will ensure that there is no conflict of interest in any decisions that I make as a minister.

Minister for Environment — Conflict of Interest — Adjournment Debate

HON JON FORD (Mining and Pastoral) [5.32 pm]: I will comment on an extraordinary response, from a mining and petroleum perspective, that was given in this house today in answer to a question from Hon Sally Talbot to the Minister for Environment. I am not sure whether it was in the terms of a letter that was read out from a freedom of information application or whether it was the response from the minister, but I think there is a contributing factor here.

When I became a minister, one of the things I learnt was exactly what was commented on before; that is, that people watch everything a person says as a minister. They watch how the minister looks and they respond to that, especially in the fishing industry. People in the fishing industry actually make business decisions based upon what they perceive the minister may or may not do. It is no different anywhere else, especially when big money is involved.

Until today, my view on the perceived conflict of interest that the minister herself identified, and therefore took that action, was that it was a problem for the Premier to manage; the Premier had put the minister into that position, so he was left with the job of resolving it. What I heard the Minister for Environment say was extraordinary. She said that she still intends to meet with representatives of Woodside. I thought it was good that the minister said she had a perceived conflict of interest because I thought that she could see what the problem was. However, she then told us that she had taken action to remove that conflict of interest but was also prepared to meet with Woodside. The member has invited Woodside to talk to her. The matter had been resolved by the Premier up to that point because he had said that any matter to do with Woodside would have to be dealt with by Minister Day. What does Woodside think now? Who does it speak to? The Minister for Environment, who has primary responsibility for the protection of the environment and is independent of cabinet and the decisions it makes, has now invited Woodside to talk to her. Why would she want to do that? Somehow, the business community must now accept that provided there are some officers in the room with the minister, because she has made the decision to talk to them, that the conflict of interest will be managed. That is an extraordinary response. Until today, I do not think anyone outside this chamber—we will find out over the next day or so in the public commentary—would have expected that the minister would meet with representatives of Woodside. That sends the wrong message.

Two important matters are involved in making sure that approvals for the petroleum, mining and resource sectors are made efficient. Hon Norman Moore and the government have said that they are dealing with the matter. We will see how that goes over time. I have always said that if something does not work, we should not be afraid to try something else. I commend the government for telling us that it will attempt to make some changes. Another matter concerns the environmental approvals. Woodside and its joint venturers must now decide whether they will deal with the Minister for Environment or with Minister Day. Who will make the decisions? They will

[COUNCIL - Thursday, 13 November 2008] p265a-271a

Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Dr Sally Talbot; Hon Ken Travers; Deputy President; Hon Jon Ford

hedge their bets and use double the amount of resources to do that. They can afford to do that because they are big companies. That tells the community that the government is making life more complicated in its first 50 days of government.

We have not heard from the Minister for Environment about what she will do in the environmental portfolio to assist the resource sector while providing some environmental protections. In the very early days of this government, we heard the Premier say that the government would stick the hub up in the north head on the peninsula regardless of what the Minister for Environment says. I will be very interested to see what the minister does about that. After what the minister has said today, my confidence and the confidence of the industry—I will check that out over the next couple of days—in her ability to do the job has plummeted because she has left herself open for criticism. It is a small world on St Georges Terrace. It runs just outside Parliament and is the centre of the oil and gas industry in Western Australia. People in the industry will whisper and say, "It's okay; I've had a meeting with Minister Faragher", or, "Is it okay? We spoke to Minister Day and he says that he doesn't think it is okay."

Hon Simon O'Brien: This is drawing a long bow and does not reflect well on you.

Hon JON FORD: It is not drawing a long bow; it is about perception.

Hon Simon O'Brien: The perception that you are trying to create.

Hon JON FORD: It is the perception that the government has created.

Hon Simon O'Brien: Minister Faragher has conducted herself in an exemplary manner.

Hon JON FORD: It is going straight over the member's head. If the government does not understand the simple fundamentals of perception, it will not get it and it will damage the economy. The government is damaging this economy right now in this house today. The Minister for Environment must sort it out. As Hon Sally Talbot said, this is the real business. The minister is an important person and has real responsibilities. It is not a game. People are watching every move she makes and are listening to every word she says. They read her correspondence and respond to it because that is what government is about. She must fix the problem. At the moment it is not fixed.

Question put and passed.

House adjourned at 5.40 pm