

HD **WA players deliver on a global stage - SPECIAL REPORT**

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The international stage has helped this year's local **business** and political leaders stand out from the pack - including our Person of the Year, Richard Goyder.

Wesfarmers chief executive Richard Goyder has been named Western Australia's businessperson of the year, as selected by the CEOs among the **Business** News audience.

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There are many reasons why his fellow **business** leaders chose Mr Goyder this year, but his chairmanship of the B20 forum in Brisbane offered the well-known managing director an even higher profile than usual.

Mr Goyder was a central figure of the B20, an integral part of the recent G20 meeting of world's top 20 economies, hosted by Australia.

Clearly it doesn't hurt to be strutting the international stage.

Others mentioned by readers, both in our survey and anecdotally, were Julie Bishop and Andrew Forrest, both who have unusually high international exposure for Australian leaders, let alone those from Perth.

As foreign minister, Ms Bishop has won plaudits for her handling of the MH17 air disaster in Ukraine, making her one of the few ministers to perform well in the first year of the Liberal government in Canberra.

And Mr Forrest, the founder of Fortescue Metals **Group**, has also courted international leadership through his well-respected philanthropic efforts, including a desire to end world slavery.

In March this year, Mr Forrest met representatives of Pope Francis, the Archbishop of Canterbury, and the Grand Imam of the al-Azhar mosque in Egypt, at the Vatican to sign on to the Minderoo-led Global Freedom Network initiative.

On the commercial front, his private **company**, Minderoo, purchased cattle stations - ostensibly to feed the growth markets of Asia.

Hancock Prospecting chair Gina Rinehart also added agribusiness - cattle and dairy - to her export-oriented portfolio. It should also be noted that her biggest milestone this year had an international flavour - celebrating two-thirds completion of the \$10 **billion** Roy Hill project, Mrs Rinehart was conspicuously surrounded by her international partners and financiers.

Woodside Petroleum CEO Peter Coleman also unveiled an international strategy this year, announcing entry into several early stage overseas ventures, although this was partly undermined by the **company's** withdrawal from the Leviathan project in the Mediterranean. Since the big fall in **oil** prices, Woodside has also been more locally focused, paying \$US2.75 **billion** last week for Apache Corporation's WA assets, the biggest **acquisition** by a WA **company** in 2014.

Despite its profile and global feel, however, the B20 was not the main game for Mr Goyder.

Retail challenge

Wesfarmers is Australia's biggest, private-sector employer with more than 200,000 staff around the country. Our readers recognise that it takes something special to build a **company** of that stature and keep it based in Perth. That is especially the case given most of Wesfarmers' assets are well removed from WA's industrial strengths in **mining** and resources.

"I think WA businesses can be very proud that the Wesfarmers **company** is still run from Perth," Chamber of Commerce and Industry WA CEO Deidre Willmott said.

"We are lucky to have someone who has all his personal leadership capabilities, as well as his financial and industrial skills, who lives in the local community."

While Mr Goyder took over a substantial **business** in 2005 (it celebrated 100 years in **business** this year) that was benefiting from the success of the Bunnings hardware juggernaut, it was under his leadership that the **group** acquired the Coles retail empire to become a **company** of national significance.

Since that 2007 transaction, the market has watched closely as Coles has been turned around and pegged back its major competitor, Woolworths.

Coles may still have much work to do, as was revealed this week when it apologised for the way it treated its own suppliers, but there is no doubt that a deeply troubled **business** has been returned to a competitive footing.

Furthermore, Woolworths' foray into hardware via its Masters start-up has been a disaster that is costing the **company** dearly and will take much longer to turn a profit than was ever originally forecast. Chalk that one up as a win for Mr Goyder in a year many of his WA peers would prefer to forget.

Foreign affairs

Similarly, when many of her federal cabinet colleagues would be looking to turn their backs on 2014, Julie Bishop has had the kind of year most politicians can only dream of - one during which the crises make them look strong and the gaffs help them look human.

Australia's Perth-based foreign minister has been in the thick of several dramatic events this year, but none so daunting as the downing of flight MH17 over Ukraine, which, out of the blue, put our nation in the centre of a major regional dust up.

Few can fault Ms Bishop's handling of the matter, using her diplomatic skills to cobble together a successful response to the tragedy through the United Nations.

It was during this hectic time that the member for Curtin revealed she'd mistakenly turned up for a National Security Committee briefing wearing Qantas-issue nightwear.

"I'd had an hour's sleep in four days, so I rolled into a room in my pyjamas because it's supposed to be a phone call and there were huge video screens," Ms Bishop told an audience at the Australian Institute of Management's headquarters in Floreat.

"In Canberra you have the chief of the defence force in uniform, the federal police commissioner in uniform, the PM in his blue tie uniform - and I'm in my jimjams."

On a slow news week or in different circumstances, that admission could have led to ridicule. However, when a busy foreign minister is checking in via video-link from Kiev in the midst of an international crisis it simply sounds as if she had her priorities right. Fashion can wait when there's no time to be fashionably late.

And 2014 has not just been about MH17 for Ms Bishop.

The foreign minister's work to stabilise our recently rocky relationship with Indonesia and her role as chair of the UN Security Council have earned her plaudits. There has also been the relaunched Colombo plan to boost Australia's regional connections through education, and refreshed relations with Japan.

While Treasurer Joe Hockey dismally failed in his efforts to make the recent G20 conference in Brisbane focused on economic matters, much upside came from warm diplomatic events in the aftermath, including several high-profile visits to Canberra by major leaders such as UK Prime Minister David Cameron, **Chinese** President Xi Jinping, and India's Prime Minister Narendra Modi, who all addressed parliament.

While Ms Bishop was not front-and-centre for these events, her department had delivered for Prime Minister Tony Abbott.

It's is perhaps not surprising that rivals near the top of the federal Liberal Party see her as a real threat to their own future leadership chances. Such political jealousy might explain the recent rumours of her alleged clash with the prime minister's chief adviser Peta Credlin.

The irony is that Ms Bishop's portfolio has removed her from the financial woes that stem, to a large degree, from her home state. The collapsing price of **iron ore** is challenging the budget calculations at both federal and WA levels.

Along with falling **energy** prices, **iron ore**'s dramatic plunge has exacerbated a fiscal crisis that has made few in power look good this year, especially conservative governments that are struggle to rein-in spending, whether they want to or not.

Iron wills

Like everyone in the **iron ore** game, Andrew Forrest's fortune has been hit hard by the tumbling price of the commodity, which has nearly halved in just a few months.

Yet CEOs among the **Business** News audience, especially those from the not-for-profit sector, heralded Mr Forrest's philanthropic leadership as a statement that went beyond wealth and commercial acumen.

"Andrew Forrest would be the popular choice, and this would be well deserved for not only his **business** leadership but also for his community contributions," Institute of Public Administration Australia WA CEO Gavin Lewis said.

While Mr Forrest chairs FMG, his CEO Nev Power, like others in the **iron ore business**, has had the hands-on job of cutting costs to the bone to ensure FMG stays profitable. Many think he has done a respectable job thus far, although success will depend on where the price bottoms out.

Atlas **Iron** chairman David Flanagan has had more on his plate than just the price of **iron ore** that threatens the survival of his **company**. At the start of the year, Atlas was valued at just over \$1 **billion** by the market. By June 30 that had nearly halved and last week its market capitalisation sat around \$130 **million**.

Mr Flanagan has also had issues as chancellor at Murdoch University, where his vice-chancellor Richard Higgott quit in the midst of a Crime and Corruption Commission investigation into his office.

It is an unfortunate coincidence when a leader's commercial and philanthropic efforts go so horribly wrong in this fashion. However, Mr Flanagan was not named Western Australian of the Year for 2014 for nothing and the energetic entrepreneur is known to have big plans for his community-focused activities next year.

Dining boom

This year's much talked about shift from **mining** to dining - illustrated by high-profile moves by Mr Forrest and Mrs Rinehart - had some more quiet winners, with few as low key as Milne Agrigroup managing director Graham Laitt.

More than a decade ago, Mr Laitt **sold** out of his Peters & Brownes **dairy business** (now Brownes) to concentrate on Milne, a diversified animal feed, livestock and food **company**. When Mrs Rinehart wanted to enter the agribusiness world she went first to Milne, acquiring a half interest in its Liveringa and Nerrima cattle stations.

With its top-quality brands such as Mt Barker Chicken and Plantaganet Pork, Mr Laitt has positioned Milne to take advantage of Asia's growing hunger for high-quality food.

Locally, few will be happy with the economic difficulties created by simultaneous falls in **oil** and **iron ore** prices.

At the service end of those sectors, the impact has been even worse in many cases than it has on the producers.

However, maritime **group** MMA Offshore, formerly Mermaid Marine, has been an aggressive player in the space under the leadership of Jeff Weber.

In February, MMA bought the offshore support services and offshore engineering services assets of Singaporean **group**Jaya Holdings for \$550 **million**, the biggest 2014 **acquisition** by a WA **company** until Woodside's **purchase** of the Apache assets last week.

MMA also confirmed that, after a long arm wrestle with the Maritime Union of Australia, employees at the Dampier Supply Base approved a new enterprise agreement that will deliver market competitive wages, long-term employment security, and improved service flexibility

State politics

Former finance minister Dean Nalder capped off a difficult year for Premier Colin Barnett's conservative state government by being stripped of that portfolio as part of a cabinet reshuffle following a conflict of interest controversy.

While Mr Nalder remained in the senior role of transport minister, his misdemeanours and demotion have badly blemished a short political career that had convincing tones of future leadership about it.

Mr Nalder's rapid elevation to cabinet had occurred in April when another leadership hopeful, Troy Buswell, quit several senior posts and resigned from parliament after crashing his ministerial car and subsequently seeking treatment for mental health issues. The troubled member for Vasse had caused much angst for Mr Barnett during previous scandals.

The departure of Mr Buswell left the current cabinet with a significant shortage of experience, particularly in terms of leadership. In the end, the skills gap forced the premier's hand and Mr Barnett signalled that he intended to fight the next election as leader.

But not all of Mr Barnett's troubles this year have come from his team. The falling **iron ore** price, in particular, has significantly undermined the revenue forecasts in the first budget of Mr Buswell's replacement, Mike Nahan, and exposed the big-spending habits of the state government.

While Mr Barnett plans to bat on and, presumably, seek to recapture the popularity that took him to a record win in 2013, at least one member of his cabinet has managed to build and maintain a steady presence in government. In a professional sense, this year will no doubt be seen as a good 12 months for Liza Harvey.

The police and women's interests minister added the training and workforce development portfolio during the most recent reshuffle. Low-key Mines and Petroleum Minister Bill Marmion has been a quiet achiever, gaining the finance ministry at the same time.

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