



HD WA Minister Dean Nalder stripped of finance portfolio after conflict of interest concerns

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A cabinet reshuffle sees fledgling Western Australian minister Dean Nalder stripped of the finance portfolio, after conflict of interest claims relating to his business interests emerged.

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However Mr Nalder, seen as a rising star in the Liberal Party, will retain the transport portfolio.

Mr Nalder has been under fire in recent days for both , and in which he has an interest.

Premier Colin Barnett said Mr Nalder had made some "serious errors of judgment" in confusing his private and public roles.

"If you make mistakes, and those errors of judgement were a mistake, there is a consequence," he said.

"And part of that is the removal of finance, so that's a loss of prestige for want of a better word, he still obviously has the key transport portfolio which I think he's doing a good job in.

"There's a little bit of punishment if you like, or consequence, but the major factor for the change is the conflict of interest issue."

The Mines Minister Bill Marmion would pick up the finance portfolio.

ICT contract discussion under scrutiny

When fronting the media today, the besieged Minister also conceded he met with a close business associate, technology **company** executive Alan Ariti, to discuss how the state could improve its handling of information and communications technology (ICT) contracts.

In the wake of wide-ranging conflict of interest allegations, the Opposition last week asked questions in Parliament about whether Mr Nalder had discussed government ICT procurement with Mr Ariti.

The Government responded by saying the Minister had no operational involvement in goods and services procurement decision-making.

The authority to establish whole-of-government contracts, ICT or otherwise, had been delegated to the director general of the Department of Finance, it said.

Today, Mr Nalder admitted he had discussed the issue with Mr Ariti.

"There had been discussions that I'd had about the need for reform in ICT, and I went with my former chief of staff and some other staff, we grabbed a bite to eat over lunch, and we asked his views about how he felt he should approach it, from a broad strategic perspective," he said.

"He's an expert in the industry."

The revelation came as the Premier said Mr Nalder's "close connection" to the IT industry factored in to his decision to demote the Minister.

"The finance portfolio was about to go through some significant changes; in particular, it was about to be taking on the **lead** responsibility in terms of IT across government, including contracts, acquisitions of IT and so on," Mr Barnett said.

"The examination of his financial interests show he had a close connection to that industry, therefore the recommendation of the report was quite clear that he should not continue as Finance Minister."

Weak gesture that smacks of tokenism: Opposition

The State Opposition has criticised the Premier's decision, describing it as a weak gesture that smacks of tokenism.

Labor's Rita Saffioti said Mr Nalder should have been stood down from Cabinet.

"It's trying to be some sort of symbolic gesture, but the reality is Dean Nalder today is still a Minister of this Cabinet," she said.

"He still has the car, he still has the salary, he sits around the ministerial table.

"This isn't a punishment, reduced work load and he stays as a minister? That's not a punishment."

Ms Saffioti said the Premier's decision to keep Mr Nalder on the frontbench shows he has "no standards".

"You can't trust anything the Premier says on this matter, he's made it up as he goes along again, and again it shows he's treating the WA public with arrogance and contempt," he said.

'I agree with the Premier that I need to step aside'

During his press conference, Mr Nalder acknowledged he had made mistakes.

"I acknowledge that I have created a perception of a potential wrongdoing," he said.

He said a review of his personal finances had found no conflict of interest in his **stake** in car leasing **firm company** Fleet Network, but that he had divested himself of it anyway.

Mr Nalder said shares in Metier Asia **purchased** in his name in June this year were bought on behalf of a superannuation trust fund, which he had listed on his 2013 Discretionary Disclosures declaration.

"I agree with the Premier that I need to step aside, and I need to as quickly as possible get my affairs sorted so that none of these sort of questions can be raised again," he said.

Mr Nalder said he would learn from the experience.

"I am a new Minister, and I am continuing to grow and do the best that I can," he said.

Further questions have also been raised about Mr Nalder's connection to Paul Thompson, a former banker charged over an international rates rigging scandal.

The pair are old school friends and both have a share in a Cottesloe investment **property**.

It has now been revealed that in September, a real **estate company** Mr Thompson works for, **TM Residential**, was awarded a contract to market and sell a block of land at the old Sunset hospital.

Mr Nalder was asked about the contract today, however said he was not aware of its details.

He said while he knew Mr Thompson worked for a **residential firm**, he did not know the name of the **company**.

"I'm not aware of the awarding of the contract to **TM Residential**," he said.

"I wasn't aware of the association of that, at all."

Mr Nalder also defended his relationship with Mr Thompson

"Paul Thompson is a mate of mine...he worked for a Japanese bank, up in Tokyo, Singapore, and **Hong Kong** and has been charged in the US," he said.

"I don't know the details of the charges, however for me, he's a mate, and there's a presumption of innocence until proven otherwise.

"And as a mate I'm not going to desert him from a perception perspective, just because of some allegations.

"For me, he's presumed innocent until proven otherwise, and I'll stand by my mate."

Nationals collect extra portfolios, Hames resumes tourism role

Today's cabinet reshuffle was triggered by the resignation of Sports Minister Terry Waldron.

As expected, Nationals MP Colin Holt will be elevated to the front bench to fill the vacated spot.

Mr Holt will take on the racing and gaming and housing portfolios, while Water Minister Mia Davies will take on sport and recreation.

Other cabinet changes will see Liza Harvey take on training and workforce development, while Deputy Premier Kim Hames will take back the tourism role.

Dr Hames lost tourism last year after .

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