

SE General
HD new 'conflict' over mate
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Dean Nalder's demotion from the Finance portfolio was partly punishment for "errors of judgment" but mostly because private interests in information technology would have conflicted him out of the role, Colin Barnett said yesterday.

The Premier said he was confident Mr Nalder's "highly complex" business interests were fully open and declared after a Department of the Premier and Cabinet review, which he promised to release this week.

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Mr Barnett was immediately confronted with fresh conflict of interests questions involving Mr Nalder's "mate" of 35 years, Paul Thompson, who has been charged in the US with conspiracy to commit banking fraud over a global interest rate rigging scandal.

In September, Mr Nalder announced in a press release that **property** management **company** TM **Residential** had won a competitive tender to manage the **sale** of a 1993sqm lot at the old Sunset Hospital in Dalkeith.

Mr Thompson, who co-owns a Cottesloe investment **property** with Mr Nalder, works as a leasing executive for TM **Residential**, according to its website.

TM Residential director Tonia McNeilly said last night that Mr Thompson was a part-time employee and had not been involved with the **company**'s bid for the Sunset contract, which the **company** won after a competitive process.

Ms McNeilly said she had never met or dealt with Mr Nalder and had dealt only with Landcorp during the bidding process.

Mr Nalder said yesterday that despite announcing the contract in a press release, he had "no involvement in any way in the selection of TM **Residential**" to sell the **site**, which had been done at departmental level.

He said he knew his former boarding school friend worked for a **residential** leasing **firm** but did not know which one.

"To me, he's a mate and there's a presumption of innocence until proven otherwise," Mr Nalder said.

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

Mr Barnett said he was not aware of the details but he did not think the shared **property** investment was significant.

"Most of those (contract) arrangements are simply done within the public sector," he said.

Mr Barnett said there needed to be a consequence for several “serious errors of judgment” by Mr Nalder in confusing his private business interests with his ministerial responsibilities.

They included making sure his business partner in a **property company** pursuing interests in **China** was invited to dinner at the **Chinese** consulate, co-investing with ministerial staff in the **company** and failing to declare that his superannuation fund held a **stake** in it.

Mr Barnett has ordered that the ministerial staffers — Sarah Boska and Richard Newton — either divest themselves of their investment in Metier Asia or leave Mr Nalder’s ministerial office.

The Premier said the DPC review revealed Mr Nalder would have significant and unavoidable potential conflicts of interests because of his privately held business interests in the information technology area.

“The Finance portfolio was about to go through some significant changes,” Mr Barnett said.

“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 put Mr Nalder’s errors down to inexperience and accepted some responsibility for promoting him to Cabinet barely a year after he was elected.

Mr Nalder said he acknowledged his mistakes.

“I am learning, this is a learning experience,” he said. “I am a new minister and I intend to continue to grow and do the best I can.”

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