



- MEDIA RELEASE -

SENATOR DAVID BUSHBY

Liberal Senator for Tasmania

Deputy Chair of the Senate Economics Legislation Committee

Advancing Tasmania's Interests...

CSIRO POTENTIAL CONFLICT OF INTEREST CONCERN

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Liberal Senator for Tasmania David Bushby has raised concerns about the CSIRO's approach to a potential or perceived conflict of interest issue regarding its Chief Executive.

It follows confirmation in Senate Estimates today, under questioning from Senator Bushby and Senator Richard Colbeck, that Dr Megan Clark is also a director of a family company called Cradle Mountain Carbon Pty Ltd.

According to the CSIRO's annual report 2010-11, Dr Clark is a director of this company which was registered on 27 June 2011.

It says the business purpose of the company is as a 'vehicle to hold land for conservation services.'

Through her position, Dr Clark is responsible for advising the Government on climate science and the scientific analysis of the impact of measures taken to abate anthropogenic climate change, which include carbon sequestration and other land based measures.

"There is no doubt that Dr Clark is a person of the highest integrity and would do all she could to avoid any actual conflict of interest. But in public life, *perceived* conflict of interest can be just as damaging.

"And to the extent that she is involved with a company whose name suggests it *may* be involved in activities related to carbon abatement issues, the perception of conflict with the CSIRO's role in advice to Government exists," Senator Bushby said.

Mike Whelan, the acting Chief Executive of the CSIRO, told the Committee while the Board of the CSIRO was aware of Dr Clark's involvement with the company, he was not aware of any further information on its activities.

He was unable to advise the Committee what steps the CSIRO Board had taken to ensure that no real conflict of interest could arise through her involvement with Cradle Mountain Carbon Pty Ltd, but was adamant that the Board would have looked closely at the issue.

Senator Bushby considers the Board needs to go further.

"It is absolutely essential that the Board of an organisation like the CSIRO proactively ensures that no actual conflict of interest exists between its activities and the private interests of its CEO and that even the potential for perception of a conflict of interest needs to be addressed," Senator Bushby said.

"If in fact the CSIRO has considered the potential for conflict through Dr Clark's holdings in Cradle Mountain Carbon Pty Ltd, it should, as a matter of public confidence, release its conclusions publicly. Failure to do so leaves the question unanswered."

The Shadow Minister for Innovation, Industry and Science, Sophie Mirabella, shares Senator Bushby's concerns.

"I would have thought that an organisation like the CSIRO would be highly motivated to protect its reputation and appropriately minimise the potential for the public to even perceive a conflict at the CEO level," Ms Mirabella said.

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