21 March 2014

Mr Ian Rennie

State Services Commissioner

2 The Terrace

Wellington 6011

Dear Mr Rennie

**Re: Families Commissioner’s conflict of interest**

The Chief Commissioner of the Families Commission, Belinda Milnes, is reported saying that the State Services Commission has confirmed that her actions in addressing a potential conflict of interest involving one of her Commissioners was consistent with State Services guidelines for board members of a Crown Entity. I am seeking clarification from you if this advice is consistent with State Services Guidelines and those of the Auditor-General. As this is a current matter that has been raised in Parliament I would appreciate an early response.

Dr Parmjeet Parmar was appointed a Families Commissioner in early 2013. In recent months it has become known in the community that she has been in discussions with a political party about standing in the next election. None of this is irregular and I raise no questions about the Commissioner’s ambitions at all.

On 8 March last Dr Parmjeet Parmar was actively campaigning for her Party at the Pasifika Festival in Auckland. This is an event that is attended by tens of thousands of people and has become a place at which political parties campaign especially in election year.

Dr Parmar identified her political affiliation by adorning her Party's rosette and was in the company of her Party colleagues. Photographic evidence of the above has been posted on the website of radio station and other newspapers.

My first question is whether you were provided with all the information regarding the incident giving rise to questions about conflicts of interest when you provided your advice to the Chief Commissioner.

In my view, and those of a number of informed others I have consulted, members of Crown Entities donning Party colours and accompanying colleagues in campaign mode is party political activity and should be declared and managed by the Crown Entity. No such declaration, or even discussion, is reported to have taken place despite the Chief Commissioner, in evidence before Select Committee, confirming that she had heard rumours but she took no action to raise it with Dr Parmar. Since being provided with photographic evidence of the above, the Chief Commissioner is relying on State Services advice that this is not a case of a potential conflict.

The matter attracted further scrutiny after the Minister responsible for the Families Commission revealed this week that “I have known Dr Parmar for several years and I am well aware of her political views”. I do have to ask why then did the Minister not advice the Chief Commissioner to manage this conflict carefully?

I would like to know from you how the actions of the Chief Commissioner are consistent with Chapter 7 of your Guidance for Statutory Crown Entities. Your guidance based on section 55 of the Crown Entities Act is that board members should not pursue their own interests at the expense of the entities interests. They are asked to avoid situations that could influence or be seen to influence actions they take in their official capacity. Advice from the Auditor-General to Crown Entities carries the same message.

The Families Commission is mandated to base its advocacy and advice on consultation and good science and to critique government policies and programmes only on that basis. The hint of political preference compromises that standard and therefore is a potential conflict to be managed. This is seen to be unnecessary according to how your advice has been received by the Chief Commissioner.

Commissioner, if your advice has been correctly interpreted by the Chief Commissioner and is based on the full facts of Dr Parmar’s actions, then I seek your comment on its implication that it is in order for any Commissioner of an autonomous crown entity to engage in a very public way (e.g. wearing the Party rosette) and campaign while still retaining their position and without declaring a potential conflict.

I would like you to make a ruling on whether the actions of the Commissioner in this case has compromised her position and whether the Chief Commissioner has acted appropriately and done enough to safeguard the standing of the Commission. I would also welcome any other observations you may want to make about this matter.

I am happy to provide you with information I have that confirms the political activity engaged in by the Commissioner. Should you wish to speak to me personally my number is 021-444 177.

I await your response.

Yours sincerely



Dr Rajen Prasad

Member of Parliament