

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates, 16 February 2006

Question: AT 25

Topic: *7.30 report interview - political interference in Telstra case*

Hansard Page: E17, 19, 30-31

Senator CONROY asked:

Do you recall your interview on the *7.30 Report* on 14 December with Emma Alberici? I have a transcript here.

Mr Lucy—On 14 September?

Senator CONROY—On 14 December. I will just check the date. It was Wednesday, 14 December 2005. Ms Alberici made the very reasonable observation—and she was talking about the, in general, Telstra case—that:

It is hard to escape the conclusion that there has been some political interference—

To which you relied:

There has been that suggestion. And indeed, there was the suggestion, I think, that indeed it may not have been necessarily the Government but it might have been the Opposition. Could you explain that comment?

Mr Lucy—I would need to take that on notice to be precise but I am happy to give an off-the-cuff response.

Senator CONROY—It looked like an off-the-cuff response then, so I am hoping that you are going to give me some sort of response now. I take that sort of imputation pretty seriously and was considering—and still would consider—referring you to the Privileges Committee of the Senate over an allegation like that; that is, that we tried to interfere in one of your investigations.

Senator CONROY—I am going back to Mr Lucy's definition of political interference. Who suggested the opposition had interfered with ASIC's investigation?

Mr Lucy—I do not believe that I suggested that there was any interference with our investigation.

Senator CONROY—The question was about political interference. 'There was the suggestion, I think, that it may not have been necessarily the government but it might have been the opposition.' I want know which member of the opposition and what the political interference was.

Mr Lucy—I do not have a recollection. I will have to take that on notice.

Senator CONROY—It is a fairly serious charge.

Mr Lucy—I understand the point that you are making. I will take it on notice.

Senator CONROY—In taking it on notice, Mr Lucy, I would like you to specifically identify where there was a suggestion that the opposition had interfered and whether or not you got it from a source, if you are able to. I appreciate that you may not be able to identify a source, although I would say that would probably be the subject of some questions here next time. I would like you

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates, 16 February 2006

to identify if there is any media report or any source anywhere that suggested that about the opposition before you decided to suggest that you had heard suggestions that the opposition had interfered. It is a fairly serious charge to suggest the opposition had interfered in an ASIC investigation, Mr Lucy. I am sure you appreciate that.

Answer:

The comment in question raised at Senate Estimates was in fact only part of what the Chairman of ASIC said to Ms Alberici on 14/12/05 on the ABC's 7.30 report.

The full comment is as follows:

There has been that suggestion. And indeed, there was the suggestion, I think, that indeed it may not have been necessarily the Government but it might have been the Opposition. Now, I can categorically state that we've not been approached by any Member of Parliament, on either side of the House, as to whether or not we should be taking any form of action. Our decision is entirely our own decision.

When read in full it is clear that the Chairman of ASIC said unmistakably that no politician had sought to interfere with ASIC's Telstra investigation and that political interference from any side of politics did not happen.