

Craig Thomson address to parliament in full

May 21 2012

"Go cut your wrists or, better still, hang yourself.' 'Go out the back, cut your throat—that's the only way.' 'Have you slashed your wrists yet?' 'You are dead. A bullet between the eyes will save taxpayers' money.' 'You have unleashed the lynch mob and you have fanned it and for that you're, ultimately, responsible.'

These are the types of emails, letters and phone calls that my family, myself and my staff have received. Since these allegations were first raised I have consistently and on many occasions made it clear that I have done nothing wrong. I have, in fact, wanted to make a statement for some time but sought counsel, sought advice, from a variety of people—including legal advice—and took that advice not to make a statement. Can I say that is something that I probably regret in hindsight. I did not realise that this was going to go four years, but once that decision had been taken, of course, then the next opportunity to speak really is when a report is concluded—and Fair Work have done that.

In making this statement I am very conscious that in the eyes of many of the public I have already been charged, convicted and sentenced. The public will hold these views because of the quite extraordinary media coverage which has taken place. I, like every member of this House, understand and value the importance of an independent and robust news media and the important place that it can play in our democracy. However, all of us who have regular dealings with the news media know that the news media can often get it wrong, and sometimes seriously so—particularly as today the media is dominated by self-important commentators, not reporters, and I will say a little bit more about that later. So I think it is important to once again remind the House that I have not been the subject of any conviction, not even the subject of any legal proceedings; none of the allegations have been tested in any court or tribunal.

I am going to bore you a little bit now because I am going to talk a little bit about my history—my work history. One of the things that my friends say to me is, 'We read about this Craig Thomson; we don't know who that person is because we see a very different person—we know you in a very different way.' So I am going to take some time and talk about, firstly, the young industrial officer who joined the Health Services Union and worked there for 19 years. Can I say that, despite the coverage, unions are not a dirty word. Unions are a very good thing and are very much part of this country's history and culture and have made enormous contributions to the wellbeing of ordinary Australians over many years.

My first job at the university was as an industrial officer and I used to look after university workers. Can I say that I still get regular letters of support from people like Richard Black at the University of Sydney, Ellis Skinner at the University of New England and Ted Davies at Macquarie University. I was very proud of the work that I did representing general staff at universities around the country. I am also very proud of a lot of the work that I have done at the union. I was able to personally prosecute, in the Industrial Relations Commission, the first ever award for radiographers working in private practice. I was responsible for the first national agreement with what was then the Mayne Health private hospital chain, later becoming Ramsay Health Care. I have spent a great deal of my time, both when I was at the New South Wales branch and nationally, looking after aged care workers and, in particular, looking at making sure that we can try and push for better staffing levels—minimum staffing levels—in aged care so that the elderly, the most vulnerable, are guaranteed some level of support and care in those places.

I am particularly proud of two issues: negotiating the first ever staffing level agreement for ambulance officers in New South Wales. My friends the ambulance officers and paramedics on the Central Coast tell me, of course, this agreement, which was only meant to last for 10 weeks because it was the first time it was there, is still in operation some 10 years after it came in. Guys, it does need to be updated and upgraded, but it is good that there is a floor that is there. The other issue that I am particularly proud of when I first joined the union was a 17 per cent pay increase over three years for New South Wales public sector workers, particularly the cooks, the cleaners—those most in need. Seventeen per cent over three years is a very big increase. They certainly deserved it and they certainly deserve more. So I have had nothing, can I say, but letters of support from many HSU members, both past and present.

One would think, given the media coverage and certainly from some of the emails that I have had, that the allegations against me were made while I was a member of parliament. Of course that is not the case. These are allegations that arise from my time at the Health Services Union many years ago. But it is worth talking about my wonderful electorate and the people who live there. Since 2007 we have been able to achieve some great things. It is important to point out that, in 2010, there was a swing to me in that seat based on the good work that we had been able to do in that electorate—a swing to me when there was a big swing against Labor in New South Wales. We have been able to achieve more than \$330 million in funding for my electorate since 2007. That is

more money that has been spent on infrastructure in the last five years than in total for the whole time that that seat has existed since 1984.

There are a whole range of projects, and I will just list them briefly. The schools project, of course: over \$100 million. Trade training centres: \$13 million. The Apprentice Kickstart program. The Central Coast Campus of the university—a campus that was brought about under a Labor government in the first place: \$20 million. Very importantly, the Mardi to Mangrove pipeline: \$80 million, making sure that the Central Coast was drought-proof. We got down to 13 per cent of our water supply. A Labor government made sure that those issues never happen again. Two brand new surf clubs. Major clean-up of Tuggerah Lakes: some \$20 million over five years. \$10 million for a centre for sports excellence. A GP superclinic that I know is often derided here, but can I tell you: the people in my electorate are very proud of having a GP superclinic, which has been used ever since it, opened some months after it was promised, on a temporary basis.

We have given money to netball courts so that Wyong can hold state championships in terms of netball for a first time. We have upgraded parks around the area. We have made sure that our parks have disability access for children. I fought and stood against opening the Wallarah coalmine and continue to be committed to making sure that that coalmine does not upset the pristine environment in which it was proposed to be built. And, of course, we now have the NBN rollout. So, for those of you who have only seen Craig Thomson through the eyes of some of the media glare, these are the things that have been occupying me every day, every night in my electorate—things that I am very proud of and things that I think stand my electorate in the Central Coast in a much better position than when I was first elected.

I want to now go to the HSU national office, which I moved down to and was elected to take over in 2002. I moved to Melbourne to be there because that was where the national office was at that stage. This was a union that had a very poor history of factional infighting. It had started, I think, with left against left, which became left against right, which became right against right. The only common practice was that the HSU was the battleground for these political fights.

When I took over as national secretary the debt levels in the national union were close to \$1 million. There was no accountability for the way in which money was spent. The rules of the union at that stage set out that the national council would meet only once every two years and that at that particular meeting you could have proxy votes. So half a dozen people would sit around once every two years and that was the accountability. It rarely had national executive meetings. They rarely met. It did not have budgets. The reason this was the case was, of course, because the union rules make sure that the national secretary has broad powers. Rule 32(n) says that 'between meetings of the national executive control and conduct' of the business is in the hands of the national secretary.

So, if you do not want to have transparency, you do not have meetings. If you do not want to be accountable, you do not have meetings. So what did I do when I went down there in relation to these issues? One of the first things I did was make sure the rules of the organisation were changed. I made the rules so that national executive meetings had to happen every four years. I changed the way in which a national council meeting took place. They became national conferences every year with rank and file delegates at which the finances of the union were presented and the auditor was available for questions. There was specific time set aside. I put into the rules a finance committee so that a finance committee had to meet and had to approve budgets. But even that I did not think was enough, because there was a very broad rule saying the secretary can still do whatever they need to do. So at one of the very early executive meetings I set a delegation of how much the national secretary could spend without reference to those bodies. So we put further issues of transparency in place.

The reason I am saying these things is because, if your modus operandi was about ripping off an organisation, you would do none of that, because the rules enabled you—when I went there—to do whatever you liked and be virtually unaccountable. By putting those accounting practices in, that meant that there was accountability, and you would not do that if you were seeking to avoid scrutiny. Was it perfect? Were these A-1, benchmark accounting practices that you would put in place? Of course they were not, but we came from a position of absolute zero where there was nothing, where there were not meetings, and you have to start somewhere. So the HSU was a work in progress. These were the things that were put in place.

You have to ask who was not happy with this. There were two large branches that were not happy with this, and those are the New South Wales branch and the Victorian branch of my former union. That is because they did not like this scrutiny. In fact, I was approached by the now national secretary, Kathy Jackson, and Michael Williamson, saying: 'What are you doing? Why don't you just collect your salary and do nothing?' 'And do nothing'—that was what they expected you to do in relation to these issues.

We will be coming to the Fair Work Australia report shortly, but the Fair Work report's allegations are largely based on allegations—I repeat allegations—made by two people: Kathy Jackson and Michael Williamson. One of

the issues with Fair Work Australia is the weight that has been given to those allegations. I raise these next points only in the context of the weight that Fair Work gave to those allegations. You have to look at what standing these people have if you give weight to the allegations.

Kathy Jackson drives a union paid for Volvo. It is alleged she has child care and gym fees paid for by the union. These are issues that I am raising that are on the public record; this is not something that I am seeking to use privilege for that is not already out there. She has had numerous overseas trips, none of which, as national secretary, I was aware visited any unions. Within weeks after I left, her salary almost doubled from the salary that I received, allegedly now being around some \$270,000. She sat on the board of HESTA, collecting board fees for many years, rarely attending meetings. But when the union decided the board fee should go to the union, she left the board. She got an \$84,000 golden handshake from her branch when they merged and formed the HSU East branch of the union, the branch that is in so much trouble and the subject of so many inquiries. She rarely attended national executive meetings, and when she did it was to have her name marked off and then she would leave.

That is the record of this person, someone who wants to address the HR Nicholls Society in relation to where she is. She may have had a conversion on the road to Damascus—and I will come to those sorts of things later—but this certainly is not someone who comes to this issue with clean hands. She is also accused, of course, most seriously—and again this was reported in the Sydney Morning Herald and is the subject of a police investigation—of paying money to contractors and then receiving it back privately with it being paid to her. She is entitled to the presumption of innocence in relation to those issues, but they are issues that she has to answer for. The other person is Mr Williamson. There has been a great deal of coverage following the release of the Temby report in relation to the activities there. These are the two people who primarily put those allegations.

The Fair Work report, can I point out, is the report of one man on the national office of the union. Its so-called findings amount to no more than assertions. I find it curious that after four years of work, \$1 million in external legal fees, the general manager of Fair Work Australia was not prepared to release the report publicly, apparently because she had a concern that it may be defamatory. She instead released it to a Senate committee so it would be protected by parliamentary privilege. Given that truth remains a defence to defamation in this country, this suggests that Fair Work Australia either does not consider the report to be accurate or considers it incapable of substantiation by admissible evidence or both. I think it should also be of concern to any person who considers the effective and efficient regulation of Australia's industrial relations system is important, that Fair Work Australia has also announced it will now spend \$450,000 of taxpayers' money with a major accounting firm to investigate its own incompetence in relation to dealing with this matter.

Fair Work Australia itself makes the point, on page 133 at paragraph 33, that the general manager or his delegate is not a court and is not bound by the rules of evidence. Can I say that I also find quite disturbing that the Senate committee, when presented with an 1,100-page report that Fair Work Australia was not prepared to stand by, spent half a day looking at it before they released it to the public. I think there are issues in relation to those processes and procedures that need to be questioned.

I have seen in many, many articles the word 'forensic' when people are describing the Fair Work report. The definition of forensic is: 'relating to or denoting ... scientific methods and techniques to the investigation of crime; relates to courts of law'. In its own words, Fair Work Australia said it is not bound by the rules of evidence. As I said, it took four days for the Commonwealth DPP to say that this report was not forensic, that there was not a body of evidence. Rather than forensic, Mr Nassios, the delegate, was selective and biased. He was so biased, in fact, that I had to write to the general manager last year asking for his removal from this position. Mr Nassios had an outcome that he wanted to achieve and he was trying to link assertions. There was no body of evidence that supported his position.

This can be borne out by the witnesses that he did not speak to; more than half a dozen that we suggested should be spoken to. In fact, there are only four members of the union's finance committee and this is an investigation into the finances of the union. He only spoke to two of them. He took four years and could only get around to two of the finance members. One wonders what he was doing. I myself had only one interview with Fair Work Australia, close to two years ago. That was it: one interview, two years ago.

In relation to Fair Work Australia and the report, the opposition have made much some months ago, although they seem to have changed their tune since the report has come down, about the competence or the interference in relation to the writing of the Fair Work report. We were regaled here daily at question time about what role the government played in interfering with this report and making sure that the member for Dobell was protected. I make it absolutely clear that I do not think I was done any favours by a report taking four years to get there. I am very surprised that that point was not made by anyone in the media over the four years. You continued to write the drivel that was coming from this side about some advantage to the Labor government in taking their time on a report. It is manifestly obvious that that is not the case.

I think the better questions, if you are looking at interference and the questions that need to be answered, relate to Ms Jackson's partner. Rarely has it been raised in the media that her partner is the second in charge of Fair Work Australia. He did not stand aside from the body that was investigating these issues.

The main accuser's partner is second in charge. The questions Fair Work has to answer, the questions the deputy president has to answer, are: what influence did he have in relation to the writing of the report? What influence did he have in terms of the time line that it has taken? What relationship, if any, does he have with the Liberal Party? This is a person who has been accused in writing—and a letter has gone to the President of Fair Work Australia—of interference in that branch. So someone in the union has gone to the level of actually writing to the President of Fair Work Australia and saying, 'This person has interfered in the branch.' They are very serious accusations and they need to be addressed.

One of the other issues that I find curious is that there were two investigations: an investigation into the national office of the union and an investigation into the Victorian office of the union. In relation to the Victorian office, there were credit cards which showed expenditure on escorts and prostitutes for at least two officials. Yet it is very curious that when the Fair Work report came out on the Victorian branch there was barely a mention. There are certainly no allegations, no findings of wrongdoing. One has to question why, in an investigation by Fair Work where the second in charge of Fair Work Australia's partner, their former husband, is the subject of that investigation, there is a different approach taken when it is looking at the national office. I also think it is passing strange that the delegate and DP Lawler are both on leave at the moment.

I want to go to the specific issues raised by Fair Work Australia. I will leave the one that I think most people are interested in until the end. That way I know that you are still going to listen. Many of the breaches in the Fair Work Act are because the delegate has misconstrued the rules of the organisation. He has construed the rules as saying that there was not approval for expenditure by the national secretary. That is despite the rules being very clear that there is. For example, he uses the issue of staff salary and the ability to appoint staff. It flies in the face of the rules, the law and, most importantly, the fact that these issues were in budgets that were approved on a quarterly basis by the union, every quarter that I was the national secretary. They were there, they showed the expenditure and they were approved. Can I say that, of the 150 allegations that deal with me, that deals with well over 100 in that broad position.

The second area that he raises, which is clearly an illogical argument, is that he says the national secretary was responsible for formulating policies in relation to a whole range of issues. There is nowhere in the law, in the regulations, in the legislation that says an individual in a trade union or any organisation is responsible for formulating these particular policies. If there is someone that is responsible then it is the union that is responsible. To pick out an individual at a particular point in time clearly is manifestly wrong in relation to a way in which you can construct these issues. But he then takes the great leap forward and says because there were not policies and there was behaviour in relation to these issues then that in itself is a breach, and that is clearly wrong.

The second area that he raises is in relation to travel and expenses. I note, of course, that the delegate travels business class and stays at five-star hotels in terms of his own travel. In reaching some conclusions in terms of the allegations about misuse of union money on travel and expenses, the delegate used the tax table to decide what was reasonable. There is a real argument as to whether that is appropriate in the first place, but you know what? He used the wrong tax table. If he had actually used the right tax table then there was no issue. So he did not even get that right when he was looking at what was appropriate.

In relation to spousal travel, we did not have a policy in relation to spousal travel. Should we have? Of course we should have. It would have been appropriate to do that. But the spousal travel was two return trips a year. Everyone who sits in this place gets far more family and spousal travel than I took in the five years that I was national secretary. So, if you want to gauge what is reasonable, then let's look at the ordinary test in relation to those issues.

The whole section in relation to the federal election I will come to later, because quite clearly the AEC report that was released last week blows a massive credibility hole in everything that Fair Work Australia did. While those areas have covered primarily almost every allegation that is there, there seems to be this mysterious thought that there was this extra pot of money that I could take cash withdrawals out from that was not accounted for by the union, that was somehow separate to everything else. This quite simply flies in the face of the facts that were there. We made it clear, and the evidence was clear, as was set out by the financial controller at the time when she was interviewed by Fair Work Australia, that cash withdrawals—this is what she said—were 'appropriately accounted for and imported into MYOB'. They were part of the union accounts—these accounts and budgets that went to the executive. Her replacement went on to say, 'Further, records for cash withdrawals were retained.' There is also evidence from the financial controller who was there some months after I left that that documentation was all there and present when she left. As I said, that was many months after I had been there.

Are cash withdrawals going to get you a prize from the accounting college as being your best way of dealing with these issues? Probably not. But the issues with cash withdrawals were that it was the mode of spending not the accountability, not what it was spent on, not the receipts that were there—none of those issues are borne out by any of the evidence. The evidence, if someone were looking at the evidence and clearly Fair Work were not, was that they were accounted for. They were in the union's records and they were appropriately receipted. If they disappeared, then you need to look at explanations why—and I will come to that shortly.

Turning to credit cards and escorts, I have consistently from day one denied any wrongdoing in relation to these issues. I make it clear—and I hope I have already by painting a picture—that I had many enemies in the HSU, many enemies who did not like increased transparency, many enemies who preferred that there be no national office. I was the subject on numerous occasions of threats and intimidation. I had my door of my office graffitied. The national office shared an office with other Victorian branches of the Health Services Union.

There was, though, a particular threat that was made that I thought was just part of the routine threats that were constantly made in working in this environment. That was a threat by Marco Bolano in words to the effect that he would seek to ruin any political career that I sought and would set me up with a bunch of hookers. This was a threat that started in Kathy Jackson's office. The rant went right down the corridor and was witnessed by many people. It was then also the subject of a report. A letter was written to the Jacksons and to Michael Williamson complaining about this incident and putting, very importantly, this instance on record—on record when it occurred that there was this threat.

Later on, some years later, Michael Williamson said in front of a few witnesses, 'This is the way we deal with people in the Health Services Union when we have problems.' So we have the threat and, post facto, we have an admission. But Williamson went further. In the Daily Telegraph, a week ago on Saturday, he actually said he knew about this and it was commonplace in Victoria in relation to this union. So he made that absolutely clear. Of the seven occasions that are set out, three of them could not be me. There are alibis: on two occasions my being with other people, and on one occasion being in Perth and not being in Sydney for the month around the alleged incident.

I know that sitting up there we have a whole range of CSI journalists who think that they are the Inspector Clouseaus of the world—or perhaps that is how they really are—and they make these assumptions rather than report issues that are there. I want to try to help you with a couple of key areas that you have had difficulties with. The account details of my credit cards were known. They were reported. Everyone knew what my credit card account numbers were.

As for my driver's licence, can I say that there has been a deliberate and massive attempt to paint me in a different light by Fairfax by printing in the paper a copy of my driver's licence and making it appear as if a copy of that driver's licence was there on these occasions. That is not what the evidence is. The evidence is that my driver's licence number was written on three of those particular chits. Let us take a commonsense thing which we all know occurs. If you are asked for an ID and you have a photo ID, you hold it up. The person looks at your face. They look at the driver's licence and they say, 'Yes, that is you.' They do not then go and say that they need to write down details of this and put it there. That just does not happen. Can I suggest that of all places for it not to happen would be when you are seeking those sorts of services where, presumably, a degree of anonymity is what is being sought.

My driver's licence was also commonly available and on the records there at the union where it was needed for a variety of things including right-of-entry permits. What is interesting is that we have been informed that at these types of establishments they have to keep film footage of people who go in and out—for six years in New South Wales. I raised two years ago this issue with Fair Work Australia and said, 'Get the footage. See who was there on those days.' Fair Work Australia were not interested. It did not fit their story. Today I have spoken to the Victoria Police and I have urged them to go and get the records, get the footage from the cameras and see who was there. At the very least, they should be able to say that I was not there when they look at those records.

The most vexing thing for me and the most difficult thing in terms of making an explanation about these issues is—and can I say again: this is not a court of law and in this country we do actually have the presumption of innocence—explaining one's innocence and making out a case in relation to that, which for good reason is much more difficult and that is why we have that presumption at law in Australia. One of the things that I have difficulties in making an explanation about—and I am certainly not going to use parliamentary privilege to lie or change that—is in relation to phones and how records were on my phones. I do not have an explanation so that I can neatly say, 'This is what definitively happened. I know that this happens.'

But that should not be unusual. What is important is that Fair Work Australia did not investigate any other scenario at all.

There are numerous scenarios as to how this could occur. For example, on many occasions, I would book all the hotel rooms at a particular conference that we would have. I do not know whether or not I did on these nights. I do not have access to those records. That is why we have the presumption of innocence. I cannot go back and say what actually happened there. But these things were not looked at by Fair Work Australia. They did not look at whether there was a bulk of rooms. Quite often I would book a bulk of rooms for a national conference or for a national executive meeting.

The second issue of course is in relation to phone cloning or various other issues as to how it is described. Identity theft in Australia and around the world is not new. It might be a shock to some people in the gallery to write about it, but it is certainly not a shock to those who deal in the law and who deal with this every day. I am going to read a very short extract from a lawyer who contacted me—a very senior barrister in New South Wales. He gives an example of a situation. He says:

Drug dealer A rings on a mobile phone drug dealer B. The police have interception warrants on the phone of drug dealers A and B. Drug dealer A, while sitting in a coffee shop, makes the call to B and the call is lawfully intercepted. However, when the police ask the mobile carrier to provide a record the record shows the call did not emanate from phone A but from another phone—phone C.

This is something that the Federal Police and our police authorities know is a very common issue and something that can happen in relation to criminals and people acting outside the law. Certainly, if you are looking to set someone up, it is a very easy process. I have here 30 or 40 pages from various websites saying how easy it is. In three steps, you can have someone else's phone number on a different account. The issue, I am saying, is that these things were not looked at by Fair Work Australia.

One of the other issues is that it was said there was a phone call made from Bateau Bay to one of these escort services. I moved to Bateau Bay in 2009, which is four and a bit years after this alleged phone call took place. I was not even living on the Central Coast when this phone call took place. I do not know how that phone record is on my record. But, again, one would have thought that these would have been things that Fair Work would have looked at.

People might say, 'Well, this is a great conspiracy theory and it is just about escorts and those sorts of things,' but it is more than that. The current national secretary of the union is accused of destroying documents—documents that even Fair Work say were there when I left as the national secretary. She also took a deliberate strategy of lodging late things like AEC returns, so that people on that side of the parliament could raise accusations saying, 'There are all sorts of problems with Mr Thomson's electoral spending,' when quite clearly the AEC have said that is not necessarily the case at all—in fact, have said it is not the case.

The union settled with me. They paid my entitlements—which, for a period of time, they decided to freeze while they did an internal investigation into whether or not this was right. When they finished their investigation they not only paid me my full entitlements; they also paid me in relation to a defamation case that I had against them. Can I make it absolutely clear that the union have never written to me, have never commenced an action, have never said, 'Mr Thomson, you owe us money,' and they have never put anything in writing. I do not even have an email saying, 'Mr Thomson, you have ripped off the union; you owe us this money.' I have not had one bit of correspondence from the union setting that out.

If a so-called whistleblower is uncovering corruption, the very first thing they would do is say, 'Give us back the money you took.' That is the very first thing they would do. The very last thing they would do is not write to the person that they accuse of that. I think it is an extraordinary thing that the so-called whistleblower's first action was to talk to the media—not to actually seek the return of the money, not to say that there has been some wrongdoing, but to talk to the media about assassinating my reputation.

If you look at the threats made about setting me up, the confirmation that it happens, the flimsy evidence that Fair Work have tried to put together in relation to that, the fact that someone has destroyed documents and that they have put in late lodgements, that they settled with me and paid me money afterwards and that they have never, ever asked me to repay a cent in relation to these issues, one can see a pattern, a very strong pattern, that this exercise is about getting someone, not anything else.

The other thing of course is that they got what they wanted. I remind the House that earlier in this speech I made the point that they said, 'Why don't you just take the salary and do nothing? Don't bring in these transparency issues.' And when I left, what happened? There is now no national office of the HSU. It has been taken over—they have formed this super HSU East branch—and it does not exist. They got what they wanted. They set out to take these things away, and that is why the vast majority of the secretaries of the still existing branches of the HSU, who want to have a full-time office, do not support Kathy Jackson—because they know what has happened.

But do not just take my defence in relation to this. What investigations have taken place, and what have they found? The New South Wales Police said:

The assessment follows a letter sent to the New South Wales Police Force by Senator George Brandis SC, raising a number of allegations in relation to the use of the corporate credit card provided to Mr Thomson by the Health Services Union.

They went on to say: There was no evidence— Not 'not enough'— to warrant a formal investigation by the New South Wales Police.

But they have had a further go at it, because these allegations seem to be on the rotisserie cycle of 'bring them up as much as you can'.

On 2 May this year, following a raid on HSU East by the police, Detective Superintendent Col Dyson, Commander of the New South Wales Fraud and Cybercrime Squad, was asked by one of the journalists if he had a copy of the Fair Work report. He said 'yes'. The only person who had been calling for the police to get a copy of that Fair Work report had been me. So he had a copy of the Fair Work report, and he made the comment that he had read it and the allegations were not of a criminal nature.

I think perhaps the most damaging investigation for this Fair Work report is by the AEC, released last week. They made a number of points. On page 3 they said:

Most of these comments— by Fair Work Australia— have overlooked the specific requirements in sections 304, and 309 of the Electoral Act.

They are pointing out that the investigator did not even know what to look for in terms of the investigation.

At page 5 they point out that, under the cover of a letter to the AEC, Ms Jackson lodged these AEC returns late. They also point out that none of the returns was subject to any qualification, meaning that there was no qualification as to why she was late. There was no reason. She put no explanation into being late. There is a particular provision of the act, section 318, that specifically says that if you do not have access to the documents, if there is a problem with the documents, you can put them in late. She did not do that.

At page 9 the AEC points out that paragraphs 151 to 162 of the Fair Work Act refer to:

... postage expenses at the Long Jetty campaign office totalling \$9,574.17 that were incurred after May 2007.

The Fair Work report says: Mr Thomson ... as 'ALP Candidate' it seems probable that Mr Thomson purchased ... the ... stamps and ... envelopes for mail-out purposes associated with Mr Thomson's campaign for Dobell.

The AEC say: The actual evidence to support this conclusion is not apparent ...

And they make the obvious point that it could well have been spent on the Your Rights at Work campaign, a campaign run by the unions right around the country to get rid of some of the most draconian industrial legislation in this country, of which one of the targeted seats was Dobell.

Page 11 of the AEC report says:

Such comments have overlooked the facts in the FWA Report which disclose that some of her duties—

'her' being one of the staff members who Fair Work says must have been used for my political purposes, were to work on the Your Rights at Work campaign. On page 11 of the report the AEC report says that, irrespective of the characterisation of a particular organisation in the Fair Work report, Fair Work have got it wrong. They are saying, irrespective of the way Fair Work did it, they have reached the conclusion that this particular body:

... was not an "associated entity" under the Electoral Act due to its activities and operations.

I think one of the things that I regret most about this issue in terms of the attacks made was an attack on an organisation called Dads in Education. This is an organisation that no longer exists. It used to make sure that dads would come along and read stories to their kids in the first week of Literacy Week in the schools. Our union made a donation to it. The conclusion that Fair Work Australia reached is that that must have been for my

personal benefit, my personal gain. As the AEC points out, there is no evidence as to what publicity, what sponsorship arrangements—what the member for Dobell got out of that particular issue at all. I regret greatly that there has been any attention on what was a terrific organisation doing a great job, trying to make sure that fathers played a greater role in their kids' school education, particularly in an area like mine where we have a lot of commuters who do not have that opportunity.

The AEC report has destroyed the credibility of the Fair Work investigation. It took three weeks for the AEC to come up with the truth, to come up with the real reasons, whereas it has taken Fair Work Australia four years to muck around on an investigation that is clearly wrong.

I want to talk briefly about the separation of powers and the presumption of innocence. Members of this House have a clear obligation to uphold and respect the rule of law. I think it should be of great concern to all Australians that the Leader of the Opposition has said that I am not entitled to the presumption of innocence because I am clearly guilty. I think that the Leader of the Opposition's concept of guilt means trial and conviction by media, and it suggests that, if he were to become Prime Minister, populism rather than principle, assertion rather proof, would be the guiding principles of his government.

The statements and the conduct of a number of his senior colleagues also suggest that the rule of law under any future coalition government would be a discretionary concept, to be readily put aside if it served their base political objectives to do so. I say this looking at the number of MPs, current and past who are alive, who have had either criminal or civil charges brought against them and the treatment that they have had in the various parliaments around Australia. I am not going to go through the list but, can I tell you, it is many, many pages, including at least half a dozen of you sitting here.

I am going to talk briefly about the media. There are many, many good people in the media. There are many good people who do a terrific job and I am going to mention some of those people, so that is probably going to be a blot on their CV for evermore—people like Mark Simkin from the ABC; Simon Benson from the Telegraph; Phillip Coorey from the Sydney Morning Herald; Paul Bongiorno from Channel 10; Kieran Gilbert from Sky News; Latika Bourke, sitting there; and Laurie Oakes. People would have seen the Laurie Oakes interview. That was a very hard interview, but Laurie Oakes is someone that I respect and he gave the opportunity to put a case. That is what you expect from journalism.

What you do not expect from journalists is the 12 stories that have been written about me in the Fairfax media without coming to me for a comment, without seeking my side at all. What you do not expect is for Channel 7 reporters to be hovering underneath the bathroom window while my pregnant wife is having a shower. There is a great responsibility in reporting. You need to take that seriously.

I would like to read a couple of comments from Greg Barns, who wrote on the Drum: That the presumption of innocence has been trashed by the media and those who feed them can be gleaned by the constant use of phrases and words which connote guilt.

... ..

But what 'scandal'? A scandal surely connotes that some facts have been established which the ordinary person would think constitutes outrageous or ...illegal conduct.

... ..

The Australian media is, like its American and British counterparts, obsessed with titillation, hounding individuals, and giving credence to any allegation made against a person who is in the spotlight.

These are things we all have to guard against, these are things you have responsibility for—and can I say you have not done a very good job.

The replacement of journalists with commentators: I make a reference to a commentator that is often described as being from 'the Labor side of politics', a person who was involved or was a player in relation to negotiations with myself and Fairfax over a defamation issue. A person who wants to be a commentator needs to make it clear that they are actually a participant in this process, they are not just a commentator; and to do otherwise is both dishonest and misleading and something that we need to guard against.

Can I say in relation to the Fairfax defamation issue, because a lot of stuff has been written about that and people have made comments, that I did not receive money from Fairfax in relation to that agreement and perhaps my

use of language in saying it was a 'settlement' rather than an agreement could have been better done. Part of the agreement, though, was to withdraw the defamation action. It was an agreement. I did not go off and suddenly decide I should withdraw it. Why did I do it? I did it for two reasons. One, this was a minority government, it was just after the election, and issues of stability were important. I was advised, and I took the advice, that it would be in the best interests of the government if we could have these things dealt with. I was also advised that three weeks of front-page news while the case went ahead would not be good for me or my family. Can I say, in hindsight, I wish for just three weeks of front-page news in terms of this. Can I also say that was a mistake I made, in reaching that agreement, and that is a mistake that I do not intend to make again with these matters.

I have obviously got a little emotional here, so I am going to truncate the last bit of this. There are many, many people I would like to thank who have stood by me: family; friends; my staff, who are here; and the people of the Central Coast. For the first time, in the last few weeks I have felt very anxious and nervous about walking into shopping centres. That is what we do, but I have felt affected by that. But for the welcome, but for the understanding of my constituents it would be impossible. The effect that this has had over four years on my health and mental health probably is evident. It is something that people need to be very conscious of when they go off on a witch-hunt, without evidence, based on just accusations.

This should never again happen. We should never be in this situation again where the rule of law is trashed completely by a parliament. What do you think you are doing here? Are we going to have parliament ruled by the mob? Are we setting ourselves up as some sort of junta, where a majority decision of a parliament can suddenly override anyone's rights? Is that the kind of Australia that you want? I was reminded by someone of a quote from *To Kill a Mockingbird*:

But there is one way in this country in which all men are created equal—there is one human institution that makes a pauper the equal of a Rockefeller, the stupid man the equal of an Einstein, and the ignorant man the equal of any college president. That institution, gentlemen, is a court ... Our courts have their faults, as does any human institution, but in this country our courts are the great levellers, and in our courts all men are created equal.

That applies in this country, and you have trashed that. What you have done is not just damage to an individual or their family. You have damaged democracy and you continue to damage democracy, and you should hang your head in shame for that. What it shows of the Leader of the Opposition, that man, is that not only is he unfit to be a prime minister; in my view, he is unfit to be an MP.