



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**PRIVILEGE**

**SPEECH**

**Tuesday, 22 May 2012**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Tuesday, 22 May 2012  
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**Questioner**  
**Speaker** Pyne, Christopher, MP

**Source** House  
**Proof** No  
**Responder**  
**Question No.**

**Mr PYNE** (Sturt—Manager of Opposition Business) (14:01): Madam Deputy Speaker, I intend to raise a matter of privilege. I understand that under the current arrangements I present the matter of privilege to you and you will then convey it to the Speaker and then he will deliberate on it and you will convey his decision back to the House.

In the form of a letter to the Speaker, I write to you under the provision of the House of Representatives standing order 51 to raise a matter of privilege in relation to the member for Dobell, who, I believe, has deliberately misled the House on 21 May 2012 and request that the Speaker grant precedence to allow a motion to refer the matter to the Committee of Privileges and Members' Interests for inquiry and report back to the House. The standing orders provide that where a breach of privilege has been committed, the Speaker may grant precedence to a privilege matter and allow a referral to the Committee of Privileges and Members' Interests in circumstances where a prima facie case exists and where the matter has been raised at the earliest opportunity.

My complaint concerns the statement to the House by the member for Dobell on 21 May 2012, which for the following reasons was intended to mislead the House. (1) The member's version of events given to the parliament is an outright contradiction of the findings of the report of 28 March 2012 of Fair Work Australia's investigation of the national office of the Health Services Union under section 331 of the Fair Work (Registered Organisations) Act 2009, based upon its analysis of the same assertions which the member made to it and which it found not to be credible. (2) The member's key claim is that he was set up by enemies within the Health Services Union. The only piece of evidence to which he points is the alleged threat by another union official, Mr Marco Bolano, that he would 'ruin his political career by setting him up with hookers'. He did not specify when this threat was made or the context. On the basis of this single threat the House was asked to conclude: (a) that this threat was given effect to by an unspecified number of unnamed people; (b) that in order to give effect to the threat these people (i) hacked into the member's mobile phone on numerous occasions in such a manner as to conceal the fact that the phone had been hacked and to mask that in the billing of the phone calls to various Sydney brothels; (ii) took the member's driver's licence and subsequently returned it without his knowledge; (iii) impersonated the member at the Sydney brothels, where it is established that—

The DEPUTY SPEAKER: The Manager of Opposition Business will resume his seat.

**Mr Albanese:** I rise on a point of order, Madam Deputy Speaker. The Manager of Opposition Business did inform me that he was going to do this as a courtesy. I indicated that the government would facilitate it, but perhaps it is appropriate, given that this matter will be considered, that the Manager of Opposition Business reach his conclusion.

The DEPUTY SPEAKER: In accordance with the standing orders, the Manager of Opposition Business has the right to present the matter for privilege that will be referred to the Speaker.

**Mr PYNE:** I repeat: (iii) impersonated the member at the Sydney brothels where it is established that photo ID was required before the services of prostitutes could be purchased with credit cards; and (iv) ordered outcall services to be provided in hotel rooms on non-brothel private premises from escort services on a number of different occasions from a number of different hotel rooms. (3) As to the claim against Mr Bolano: (a) in a statement released on 21 May, Mr Bolano emphatically denied the member's assertions; and (b) although the member said that Mr Bolano's threat was made in the presence of others at the HSU offices, he has been able to point to nobody who corroborates his claim that the threat was made. (4) That the member's attempts to explain away each of these matters are implausible and inconsistent. Dealing with each of the matters in paragraph (2) (b)(i) the member produced no evidence whatsoever that his phone had in fact been hacked. He merely says that it was theoretically possible for that to happen. He does not dispute that the phone calls in question were in fact billed to his mobile phone number. He claims that the phone calls were made some years before he was elected a member of parliament.

The DEPUTY SPEAKER: Order! While I will give leave to do this, I would remind the Manager of Opposition Business, just as I reminded the Leader of the House yesterday, that you need to get to the point, as this will be referred to the Speaker for consideration.

**Mr PYNE:** I have been very careful to simply deal with matters on a factual basis and not make any political assertions—

Government members interjecting—

**Mr PYNE:** He claims that the phone calls were made some years before he was elected a member of parliament. In fact, the phone calls to Keywed Pty Ltd—

**Honourable members interjecting—**

The DEPUTY SPEAKER: Order! This is a very serious matter and I think the parliament should pay it due regard.

**Mr PYNE:** In fact the phone calls were made to Keywed Pty Ltd on 9 April 2005 and 16 August 2007.

**Mr Albanese:** Madam Deputy Speaker, I rise on a point of order. This is going to assertions and argument. This is not a kangaroo court; this is the House of Representatives of the parliament. The member has an opportunity to present this and he should wind up his remarks, as I did yesterday, and then we can go on with question time and the business of the parliament.

The DEPUTY SPEAKER: The Manager of Opposition Business has the call, but I would ask him to come to a conclusion on this matter.

**Mr PYNE:** Every matter that I have outlined so far is a simple statement of fact. I am being very careful not to cast political aspersions but to simply to state matters of fact.

A government member: Stick to the facts then!

**Mr PYNE:** It certainly is a fact that the member for Dobell claims that although the phone calls were made from Bateau Bay he did not live there until 2009. However, Bateau Bay is in Dobell, where he was the member since 2007 and where he had a presence as an endorsed candidate and preselection aspirant for years before.

As to (2): he seeks to explain the endorsement of his drivers licence on the back of credit card receipts by the fact that his licence number was well known within the office. Even if that were true, it does not explain why the production of the licence was not required at the time the licence number was endorsed on the receipt. He says that the details of his drivers licence were kept on file by the HSU because they were needed for use on right-of-entry permits. However, right-of-entry permits do not require endorsement of drivers license details.

As to (3): he simply did not address the evidence that the brothels paid for by the credit cards required the production of photo ID. He did not address the fact that the credit card receipts are signed in a hand which appears to be identical to his own signature, as verified by the forensic document examiner, Dr Paul Westwood, in his report of 22 August 2011 supplied to New South Wales police with a letter from Senator Brandis of that date.

As to (4): his only explanation for the outcalls was that blocks of rooms were booked in his own name. If this were true his story only stacks up if every single instance of an outcall was from rooms booked to block in his name. There are only two such instances of block bookings recorded in the FWA report. One was with the Marriott hotel, Sydney for the national conference on 7 September 2006, and one to University House, Canberra on 28 August 2007.

**Mr Albanese:** Madam Deputy Speaker, I rise on a point of order. While I am reluctant to intervene again because the Manager of Opposition Business is, in fact, presenting a very good case of why privileges cannot consider this sort of detail, the Manager of Opposition Business should come to the point as you have asked him to do—as you did yesterday and I complied with.

**Mr Pyne:** Madam Deputy Speaker, I rise on the point of order. The Leader of the House refers to the matter he raised yesterday. As you correctly pointed out yesterday, in fact it was quite unnecessary for the Leader of the House to raise that matter in parliament in the way that he did. He simply could have written to the chairman of

the Privileges Committee. In this case, this is not a complaint about a breach of the register of members' interests and therefore this is the only way in which it can be raised.

The DEPUTY SPEAKER: The Manager of Opposition Business has the call, and will be heard in silence. But with four pages of tightly typed notes he is probably pressing the House's indulgence at the start of question time.

**Mr PYNE:** As I was saying, the FWA report gives no credence to this theory.

(5): As to the allegations generally, he claims he has challenged the Victoria Police and the FWA to obtain CCTV footage from the brothels in question. This would be of no assistance, given that the majority of transactions appear to have been for outcall services.

(6): The member's statement is riddled with half-truths. For instance, he stated that the New South Wales police concluded, after considering Senator Brandis's letter, that no offence under New South Wales law had been committed.

**Mr Albanese:** Madam Deputy Speaker, I rise on a point of order. That is a judgment made by the Manager of Opposition Business. I put it to you that he is not in a position to make that judgment either for or against.

The DEPUTY SPEAKER: The Manager of Opposition Business is raising a matter of privilege and I would ask that he continues to raise a matter of privilege.

**Mr PYNE:** Thank you, Madam Deputy Speaker. The point that I am making is that therefore the statements made by the member for Dobell were misleading, and that is why it is a matter of privilege. The Leader of the House should have heard what I was going on to say: the member for Dobell omitted to say that the New South Wales police also said that they were transferring the file for assessment by the Victorian police and that the Victorian police themselves subsequently announced a full investigation, which is ongoing.

He also omitted to say that the New South Wales police then subsequently announced their own investigation—Strike Force Carnarvon—which is ongoing. He also stated that the Fair Work Australia findings as to electoral expenditure have been debunked, when in fact the AEC made findings as to whether specific payments were under the reporting threshold or had been disclosed—not whether they had been properly authorised by the union.

(7): The claims and the explanations which the member made in his statement are either inconsistent with or were not raised by him when he was interviewed by Michael Smith on 1 August 2011. If the explanations he offered the House and to Laurie Oakes are true why did he not mention them almost a year ago? His new explanation has all the hallmarks of recent invention.

Further, if all this explanatory material exists why has the member refused to cooperate with New South Wales and Victoria police?

Government members interjecting—

**Mr PYNE:** I am getting to my conclusion, Madam Deputy Speaker. The member's statement concentrated almost entirely on the brothel and escort service allegations—

**Mr Albanese:** Madam Deputy Speaker, I rise on a point of order. In the Manager of Opposition Business's previous paragraph he was talking about questions to be raised. Through you, he is putting those on the record. It is entirely inappropriate. This is an abuse of the process.

The DEPUTY SPEAKER: The Manager of Opposition Business is raising a matter of privilege. I would ask him to return to the issue.

**Mr PYNE:** I am raising a matter of privilege, and I am outlining to the House the case that I think the Speaker needs to rule on.

The DEPUTY SPEAKER: The Manager of Opposition Business should conclude, please.

**Mr PYNE:** I will. He offered no explanation to the purchase of luxury goods for himself or the use of several hundred thousand dollars of union money for his election campaign. In fact, he states that the FWA failed to give

credence to the fact that cash expenditure was properly documented and accounted for. This is entirely at odds with FWA findings 26 to 28 on page 289 and the extensive evidence cited for those findings.

In summary, the member's version of events (a) is not supported by the evidence of a single witness (b) is explicitly contradicted by one person, Mr Bolano, whom he named (c) is not supported by a single piece of documentary—

The DEPUTY SPEAKER: The Manager of Opposition Business has made his case for privileges to be referred to the Speaker. He will conclude now and I will call on questions.

**Mr PYNE:** Thank you, Madam Deputy Speaker. In doing so I present the annexures to my case: the Fair Work Australia report, the Marco Bolano media release, the interview with Michael Smith, the television interview with Laurie Oakes and the opinion piece published today in the *Australian*.

The DEPUTY SPEAKER: The documents and issues will be referred to the Speaker.

**Mr Albanese:** Madam Deputy Speaker, I do not think it can be let go that the Manager of Opposition Business just spoke about the member for Dobell not having called witnesses. That is the point. This is not a court. This is not somewhere where witnesses are called and come forward and a case is presented. That is the entire point.

The DEPUTY SPEAKER: The Leader of the House will resume his seat. The matter has concluded.