

## **INTERVIEW WITH 6PR HOWARD SATTLER PROGRAM**

**4 AUGUST 2009**

**4.35PM**

**SUBJECTS: Grech Affair**

**HOWARD SATTLER:**

I reckon the person you'd least like to be in Canberra at the moment is a senior treasury official called Godwin Grech. Poor old Godwin's in a psychiatric hospital at the moment. Who knows what his emotional state is or his physical state, but he's the bloke at the centre of the OzCar affair. And this morning's Australian newspaper admitted that the faked the relevant email that the Opposition used to try and line up the Prime Minister and the treasurer.

Well, the Opposition leader, Malcolm Turnbull's trying to explain away their relationship with Godwin Grech today and poor old Godwin's been dropped right in the nua(\*) as they say. Here's an excerpt of what Malcolm Turnbull had to say at an extensive news conference earlier today.

[EXCERPT OF MALCOLM TURNBULL]

**MALCOLM TURNBULL:**

At all times the Opposition have acted in good faith. We have remained silent on many of these issues because of the ongoing AFP investigation into the faked email. But Mr Grech's public admissions and his accusations against the Opposition require a response. We are very sympathetic about Mr Grech's current situation, and we share the concerns of many for his welfare. But we must, however, respond to the allegations that have been made by him in The Australian today.

Now, the Prime Minister and others have attacked us relentlessly over this issue, to the extent that they have even suggested the Opposition was involved in forging the email.

Those allegations are now shown, as we always said they were, to be totally false.

[END EXCERPT]

**HOWARD SATTLER:**

Okay, that's an excerpt of what he had to say. Joining us now from the Government side is Senator Nick Sherry. He is the federal assistant treasurer.

Hello Nick.

**NICK SHERRY:**

Good afternoon Howard, and good afternoon to your listeners.

**HOWARD SATTLER:**

Are you still suggesting, as Malcolm Turnbull says, that the Opposition helped to forge the email?

**NICK SHERRY:**

Well what we haven't had from Mr Turnbull and Senator Abetz is a full and detailed explanation of their meeting or meetings with Mr Grech before the senate inquiry took place. And secondly, the details - their version of the conversation they had in respect to any suggestions or promotional distribution of the fake email in those meetings with Mr Grech, we haven't had a detailed explanation. We've had Mr Grech give his side of the story, but no detailed explanation from Mr Turnbull and Mr Abetz.

**HOWARD SATTLER:**

Okay. Is it true - and it seemed to be said today - that Mr Grech actually gave Senator Abetz the questions to ask him at the senate hearing?

**NICK SHERRY:**

Well that certainly seems to be Mr Grech's claim, and that is contrary to Senator Abetz's comments at the senate hearing when he said he got his information from a journalist. And yet, Mr Grech is saying that Senator Abetz got it from him.

**HOWARD SATTLER:**

Yeah, I thought Mr Turnbull even said that today? Didn't he concede that?

**NICK SHERRY:**

Yeah exactly. Exactly. Mr Turnbull conceded today that they did get information from Mr Grech, whereas Senator Abetz on the record in the Senate said he got the information from a journalist. That's another inconsistency.

**HOWARD SATTLER:**

All right, now how - you're off the hook, your side's off the hook over this after the Auditor-General's report. What about Mr Turnbull?

**NICK SHERRY:**

Well we don't think he is off the hook. I mean, Mr Turnbull made the most serious allegations against the Prime Minister and the treasurer. He demanded their resignations. He said they'd lied and abused their officers. And he did that very publicly, very, very publicly. And now, when he's asked to give a detailed account of his dealings with Mr Grech, he won't give that detailed account...

**HOWARD SATTLER:**

But he said he was misled. He said he was misled, and he just trusted Mr Grech, because clearly Mr Grech had been a mole for the Liberal Party for some time hadn't he?

**NICK SHERRY:**

Well we still don't have the details of these meetings when they took place, their version of the events and the very specific claims made by Mr Grech that he felt he was under pressure from Mr Turnbull and Senator Abetz.

But also the Auditor-General's report today which came out a little later than that media interview, it shows that Mr Turnbull's claims were false. Now, when you make accusations that are so serious, you make them publicly, you can't hide - if you can't justify those accusations. Mr Turnbull didn't say look, we think these issues merit investigation at the time, he went over the top and said the Prime Minister and the treasurer should resign their officers, and well Labor would argue it's Mr Turnbull that should resign his office.

**HOWARD SATTLER:**

My cynical mind even - this crossed my mind today - I thought was Mr Grech setting up Mr Turnbull? Because surely if he knew that the email was a fake that would be found out?

I mean, you'd have to think that wouldn't you?

**NICK SHERRY:**

Well I mean I do find it hard to believe that an email would not be found out to be a fake.

**HOWARD SATTLER:**

Because the originator never sent it. He would be able to prove that.

**NICK SHERRY:**

That's right. And that's why the Federal Police came out very, very quickly. The Prime Minister strenuously denied any email went from his office. The Federal Police later confirmed a couple of days later that it was false, that it was a fake.

But we had a number of - a meeting or meetings took place between Mr Turnbull and Senator Abetz and Mr Grech before that senate hearing.

**HOWARD SATTLER:**

Well, several meetings. He was obviously giving you information over a period of time wasn't he?

**NICK SHERRY:**

Yes. And we needed detailed account of what took place at those meetings, and Mr Turnbull and Senator Abetz will not do that. I mean they were very full of accusations about the Prime Minister and treasurer at the time, but when it comes to them to give a detailed explanation about their dealings with Mr Grech, they still haven't given it.

**HOWARD SATTLER:**

Now you're the assistant treasurer. Has Mr Grech - is his position with treasury untenable now?

**NICK SHERRY:**

Well look, the matter of his future is a matter for treasury. I mean...

**HOWARD SATTLER:**

What future?

**NICK SHERRY:**

They're the employer and I don't want to go into Mr Grech's future. It's not my place. I'm not the employer. Treasury and...

**HOWARD SATTLER:**

So Mr Henry must decide that must he or what?

**NICK SHERRY:**

Yes, it will be Mr Henry and he'll deal with that issue...

**HOWARD SATTLER:**

Will you or Mr Swann have any say in that?

**NICK SHERRY:**

No, none whatsoever.

**HOWARD SATTLER:**

I don't like his chances, do you?

**NICK SHERRY:**

Well, we'll have no involvement in his future employment arrangements. That is a matter for treasury, they're the employer.

**HOWARD SATTLER:**

Mr Turnbull's just described him as a whistle blower today. Is that the way you rate him?

**NICK SHERRY:**

Well, what we see is Mr Turnbull and Senator Abetz involved in meetings with Mr Grech. Now Mr Grech says he felt he was under pressure from them. And we still haven't had an explanation about what Mr Turnbull and Mr Abetz in any detail were doing with Mr Grech prior to the Senate inquiry. They obviously were given specific information. They obviously...

**HOWARD SATTLER:**

Yeah, Mr Turnbull says that he was - Mr Grech was actually giving them the information, they weren't pressuring them. That's what he said today.

**NICK SHERRY:**

Well Mr Grech says he felt pressured apparently. And there was a committee hearing. This is taking place before a senator committee hearing and obviously, certainly Senator Abetz who was at the hearing was obviously misleading the senate and the hearing by saying he was getting information on the record. He was saying he was getting information from a journalist. That's not correct. He was getting it from Mr Grech, so he misled the Senate.

**HOWARD SATTLER:**

All right, do you believe whistle blowers have a place in government and in the system in Canberra?

**NICK SHERRY:**

Yes, I certainly do believe there is a legitimate place for whistle blowers. However, in this case, the accusations were totally false. Mr Turnbull and Mr Abetz were involved in meetings with Mr Grech to discuss the so-called utegate affair, and they made very serious accusations against the Prime Minister and treasurer and now, we know, beyond any shadow of a doubt, following the Auditor-General's report that Mr Turnbull's claims were totally false.

**HOWARD SATTLER:**

Do you think was is a criminal matter?

**NICK SHERRY:**

Oh well look, in terms of any criminal actions, that's a matter for the Federal Police. That's a separate investigation.

**HOWARD SATTLER:**

Okay, appreciate your time, thanks.

**NICK SHERRY:**

Thanks, good aft...

**HOWARD SATTLER:**

Federal assistant treasurer, Nick Sherry on the utegate affair, the latest chapter in that today, and Malcolm Turnbull trying to explain away the relationship with Godwin Grech.

Mr Grech, for his lot is in a psychiatric hospital in Canberra and may not emerge for quite some time, and I don't think he'll be going back to work. That's my summation from here.

Alright, it's certainly another interesting day for Tasmanian Liberal Senator, Eric Abetz, who isn't talking this morning. As I said, earlier I replayed just a little of Chris Bowen, the Finance Minister, and Nick Minchin, from the AM program, today, talking to Naomi Woodley.

Let's just hear again Nick Minchin, and then Nick Sherry, the Tasmanian Labor Senator, and Assistant Treasurer.

[Replay]

Tasmanian Labor Senator Nick Sherry, the Assistant Treasurer, good morning to you.

**NICK SHERRY:**

Good morning, Tim, good morning to your listeners.

**TIM COX:**

Is Malcolm Turnbull in the clear, as Nick Minchin suggests?

**NICK SHERRY:**

Well he's certainly not, the allegations this morning by Mr Grech, who's obviously been central to this issue, concerning the fake email, they allege, or Mr Grech alleges, that he felt under great pressure from apparently Mr Turnbull and Mr Abetz.

And Mr Turnbull and Mr Abetz need to rule out meeting with Mr Grech in the lead-up to the Senate Inquiry, or discussing the Senate Inquiry, and further, they need to rule out placing any pressure in relation to the creation, or the promotion or distribution of this fake email. And they haven't explained themselves yet about their role in meeting or meetings with Mr Grech prior to the Senate Inquiry.

**TIM COX:**

Will any of that, would you imagine, come out in the Auditor-General's report?

**NICK SHERRY:**

Well, I don't know, I haven't read the Auditor-General's report, the very serious allegations in today's media are from Mr Grech himself, we'll see what the Auditor-General's report says later in the day.

But we still haven't had any public explanation about meeting or meetings that took place between Mr Turnbull and Senator Abetz, with Mr Grech, prior to the Senate Inquiry. What was discussed? Did they pressure? Did they assist in concocting the email, creating it, promoting it, or distributing it? There's been still no public explanation from Mr Turnbull or Mr Abetz, and if they can't give one, they have no choice but to resign.

**TIM COX:**

Yes, but the story in The Australian today suggests that it was Mr Grech that called the meeting, and that perhaps, without having any idea of the intent, and certainly the voracity of the document, Senator Abetz and Mr Turnbull attended.

**NICK SHERRY:**

Well, let's hear from Mr Turnbull and Senator Abetz about what happened. They are just behaving like stunned mullets, they refuse to come clean and report on their dealings to the Australian public, they refuse to detail their dealings with Mr Grech, after having made the most serious allegations against the Prime Minister, based on a fake email.

They owe it to the Australian public to explain their version of the events that took place, the meetings that took place, and the sorts of pressure they placed on Mr Grech, and if they can't do that, they have no choice but to resign.

It's all very well - I was at the first senate meeting, when Senator Abetz started making his allegations, I was at that first meeting, I wasn't at the second one, and I was sitting one away from Mr Grech, and Senator Abetz was making the most scurrilous accusations against the Prime Minister, apparently a meeting had taken place with Mr Grech, and all of this on the back of a fake email.

We need to know what Mr Turnbull and Senator Abetz were up to in these meetings with Mr Grech, and they've failed to give any public explanation so far on this aspect of this whole sad and sorry and sordid affair.

**TIM COX:**

Well, we've heard already from Chris Bowen today, Nick Sherry, and now you, on this program, talking about it, but Godwin Grech was speaking from a psychiatric ward in a Canberra hospital last night, how much store can you, or should you, and how much store can we, place in what Godwin Grech has to say?

**NICK SHERRY:**

Well, what I put store on is Mr Turnbull and Senator Abetz giving their version of events, I mean whatever, whatever the condition or the truth or facts or otherwise of Mr Grech's comments, why won't Mr Turnbull and Senator Abetz come out, and give their particular side of the story?

They should explain themselves, and I'm sure Australians are very interested in hearing what they've got to say, whether or not they met

with Mr Grech one or more times, before that second Senate Inquiry, whether they put any pressure on him to create or promote or distribute what turned out to be a fake email.

Whatever Mr Grech's health is at the present time, let's hear from Mr Turnbull and Mr Abetz, they've just refused to say anything about this.

**TIM COX:**

Nick Sherry, we'll leave it there. Thanks for your time today.

**NICK SHERRY:**

Thanks Tim, good morning.

**TIM COX:**

That's Labor Senator Nick Sherry, the Assistant Treasurer, and as I said, our calls to Eric Abetz have been unsuccessful thus far, and we'll see if perhaps one of the other Liberal senators would like to comment on that.

Kevin Rudd apparently is not commenting at all, but Louise Yacksley, our chief political correspondent, was suggesting earlier that Malcolm Turnbull will be issuing a statement later in the day.

And somewhere in all of that, the Auditor-General's report comes out as well, which will make for compelling reading, I'm sure.