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### TRANSCRIPT SKY NEWS – KIERAN GILBERT 29 SEPTEMBER

*Subject/s: Ministerial code, Optus breach*

*E&OE*

**Kieran Gilbert:** Joining me now is the Manager of Opposition Business, Paul Fletcher. Paul Fletcher, thanks for your time. What's your take on the story? Do you think that the minister has some questions to answer?

**Paul Fletcher:** Well, good to be with you, Kieran. And we know that although the Prime Minister claimed that his ministerial code would involve strict adherence, that in fact Minister McBain, along with two other ministers, Bill Shorten and Tim Ayres, issued put out their statements in late August, filed their statements is the assets they held, which are all of them held shares even though there's a strict prohibition on holding shares in the code and the code took effect from, I think, eight July. So for that period, all of them were in breach of the code. Now what Minister McBain did was shares that she owned she then sold to or transferred to her husband. But the code contains a strict prohibition. The code says that divesting your shares to a family member is not a satisfactory way of complying with the code. And she has admitted that that's what happened, that that was an error. She was asked yesterday in Question Time by one of my colleagues “during the period when you held these shares in breach of the requirements of the code, did you or your husband receive a dividend?” And she told the parliament, no. But the records in respect of the particular company, as I understand it, show that a dividend was declared and a dividend was paid during the time that the shares or that particular shares in that particular company were held by her husband. So I think the minister needs to explain and the Prime Minister needs to explain why if he claims there is going to be strict adherence with his ministerial code, so many of his ministers seem to be having difficulty with it and there doesn't appear to be any consequence for breaching the code. We know, for example, that Assistant Minister for Health, Ged Kearney held managed funds which in turn owned shares. Significant percentage of those funds were held in shares in health care companies such as CSL and Fisher & Paykel Healthcare. When we asked the Prime Minister about that on the 8th of September, he said, “Oh, she's she has divested herself of those funds.” So that's effectively an admission that that needed to be done to avoid a breach of the code. And of course, there's an ongoing question.

**Gilbert:** So do you believe you believe Kristy McBain misled the parliament yesterday? Is that your view?

**Fletcher:** Well, I think the minister needs to explain why it is that she said no to the Parliament when asked had she or her husband received a dividend in respect of any of those shares when as I understand it, the records from the company as to when a dividend was declared and when a dividend was paid showed that that happened during the period when the shares, as I understand it, were held in her husband's name. So as she's given an answer, it appears to be at odds with the facts. So I think the minister needs to give a full explanation here.

**Gilbert:** Let's look at the Optus breach. You're the former Communications Minister. Let me ask you why didn't the former government fully bring telecommunication companies under the Critical Infrastructure Act?

**Fletcher:** Well Kieran let's be clear, this is a line that's being pushed about by the present government because the Minister for Home Affairs took several days, she was missing in action for several days before she started to even respond as to what had happened in relation to this cyber security breach. But let me also clear up the facts. There are two obligations. A critical asset register and a mandatory incident reporting requirement that apply under the Security of Critical Infrastructure Act, which our government passed out while we're in government. Those apply to 11 separate sectors, including telecommunications. Now those two requirements, mandatory incident reporting and critical asset register are given effect to when it comes to telcos through a different piece of legislation under the Communications Act as part of the telecommunications sector security reforms. But the obligations are the same and indeed the Communications Minister Michelle Rowland, passed the relevant instruments to apply these obligations to telcos in early July this year, even though...

**Gilbert:** Do they have the same penetration testing, do they have the same penetration testing of telcos as energy companies that mislead ring line?

**Fletcher:** Kieran, this is another misleading line being pushed around by this Government as they desperately try and point fingers at anybody else. The facts are that the Minister for Home Affairs has powers in respect of all 11 sectors, including the telecommunications sector, to require what are called in enhanced cyber security obligations, which includes conducting vulnerability assessments. That's what you've referred to as penetration testing. The Minister has the power to impose that requirement on telcos as on all other companies within those 11 sectors. But for some reason...

**Gilbert:** Your government didn't do it either.

**Fletcher:** The position is the same for the telcos as for everybody else. This minister was caught out for several days before she even came out and said anything. She's desperately pointing the finger at anybody else. The Albanese Labor Government needs to recognise they're in government. They've got the powers we passed the Security of Critical Infrastructure Act, which contains tough powers that the Minister for Home Affairs can exercise. There's even a power for the Government to step in. In the case of a serious incident, she has the power...

**Gilbert:** Was this a flaw? Because while there are powers to intervene..

**Fletcher:** No.

**Gilbert:** It should be a starting principle, isn't it, that these telcos are tested thoroughly?

**Fletcher:** Let me be absolutely clear, Kieran. The standards that apply to the telcos are the same as to all of the other sectors that are subject to the Security of Critical Infrastructure Act. They are given effect to through a different piece of legislation, an instrument made by the Minister for Communications under the Communications Act. She made that instrument in early July of this year following a process kicked off by our government, including extensive industry consultation, going back to early this year. This was what was expressed agreed following a bipartisan process, including through the bipartisan Parliamentary Joint Committee on Intelligence and Security. So this line that is being pushed around by the current government, they are just desperately trying to point the finger at anybody else to avoid taking responsibility. This is happening on their watch. And this minister has a bit of a tendency, I must say, to point the finger at other people. But what they need to do is work with the company. And I acknowledge the work being done by the Australian Cyber Security Centre and by the Australian Signals Directorate. I acknowledge the work being done with the company, I acknowledge the work being done by state governments in...

**Gilbert:** Paul Fletcher, we've got to wrap it up, I appreciate your time.

**Fletcher:** Thanks Kieran.

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