

TO : Senator Chapman
CC : Mr. D'Aloisio, ASIC Chairman
CC : All members of Parliament
CC : The Australian media.
FROM: Graham MacAuly, President of the Westpoint Investors Group


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Subject: Your failure to recommend an inquiry into past ASIC performance.

Dear Senator Chapman,

The following extract is from the Investor Daily of 29/06/2007.

"The corporate regulator is investigating the collapses and it should be allowed to get on with the job without being distracted by political stunts," Parliamentary Secretary to the Treasurer Chris Pearce said. The Opposition said the Joint Parliamentary Committee on Corporations and Financial Services should conduct the review, a suggestion rejected by chair of the committee, Liberal Senator for South Australia Grant Chapman. "There will be no committee enquiry," Chapman said. He said the committee - of which Senator Sherry is a member - agreed last week that there will be no further inquiries until after the federal election because its members will be busy campaigning in their electorates. "It's clearly a political stunt - it's come out of left field," he said.

The overwhelming evidence of ASIC's systemic failure is now a matter of public record. Your claim that an investigation into ASIC performance is unnecessary defies both the evidence and logic. Your insistence ASIC can be repaired by an as yet unknown plan and by some unknown future date shows your desperation to cover up ASIC's abject total failure.

Your claim that the call for an investigation is a "political stunt" brands you as a hypocrite. How can you ignore the destruction of so many Australian citizens - particularly those of older Australians. Some of them have committed suicide, many have lost their homes, all suffer not only financial loss beyond the capabilities to repair but also the accompanying emotional and physical effects. No thought for them, your first duty is to the party and electioneering! In the unlikely event the coalition wins the election, then you can crush any call for an investigation.

Senator Chapman, as an ex Liberal voter, my disappointment with the Party results from the many untruths of the current government in many areas. My expectation is, it is unlikely you will provide a logical defence of your position. More likely, if you bother to reply (The Hon. Pearce does not even acknowledge receipt of communication) it will be in the manner of the Assistant Treasurer's office, which refuses to answer a single question and in reply ignores the questions and distorts history. (Our members now refer to the Assistant Treasurer's Office as the embodiment of Orwell's *Ministry of Truth*). Is this the current Government's concept of a democratic, accountable, government?

As the Chairman of the committee overseeing ASIC, I am certain you are fully informed on the facts. By reading the attachment Extracts.pdf., which is by no means an exhaustive list of the information I possess, you may find information of which you are not aware.

Equally amazing is your defence of Ex ASIC Chairman, Mr. J. Lucy, in the same article. What textbook states the head of an organisation is not responsible for the organisation he controls? I haven't bothered to count the number of occurrences of the events, noted in Extracts.pdf, that occurred during his time with ASIC.

Senator Chapman, could the real reason be for your reticence for an inquiry into ASIC (Australia's WMID - Weapon of Mass Investor Destruction), is the current Government created a monster and now refuses to accept all responsibility?

I also ask is your denial of the truth your personal idea of a desired Australian value?

I await your reply with great interest.

A handwritten signature in black ink, appearing to read 'Graham MacAulay', with a horizontal line underneath it.

Graham MacAulay