

Former prime minister Xanana Gusmao knew Australia spied in East Timor



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Former East Timor prime minister Xanana Gusmao at Parliament House in Canberra on Monday. *Photo: Alex Ellinghausen*

East Timor's independence hero Xanana Gusmao has revealed he knew Australia was secretly spying in the tiny nation years before hauling Canberra before the international court for espionage.

Mr Gusmao surprised many last month when he stepped down as East Timor's prime minister - two years before his term expired - but the former guerilla fighter will continue to play a key role in the bitter dispute over the sea border with Australia.

"I have to tell you, I knew the story of the spying years ago," Mr Gusmao told Fairfax Media during a visit to Melbourne on Tuesday.



Foreign Affairs Minister Julie Bishop embraces Xanana Gusmao, the former prime minister of East Timor, in Parliament House on Monday. *Photo: Alex Ellinghausen*

But he said East Timor waited until 2013 to launch international legal action in a bid to declare invalid a 2004 treaty with Australia that divides the estimated \$40 billion oil and gas fields in the Timor Sea.

"We could perceive a very imbalanced situation in our negotiations. I had participated sometimes," Mr Gusmao said.

"We can understand this way of life for big powers. But what we could not accept was using military means to spy on commercial talks."

The International Court of Justice last year ordered Australia to cease any spy operations in East Timor and the two countries have since agreed to suspend legal proceedings in an attempt to negotiate a settlement.

It followed an ASIO raid on the office of East Timor's Australian lawyer in December 2013, seizing electronic files, and a statement by a former Australian spy detailing eavesdropping in the tiny nation.

But Mr Gusmao said fallout from the extraordinary spat between the two neighbours had not poisoned local attitudes towards Australia in East Timor.

"Our people have proved it already, they are very tolerant, [and] not breathing revenge or intolerance. No, no way," he said.

Mr Gusmao said he was always been reluctant to take on a leadership role in an independent East Timor, and had to be persuaded in 2001 variously by former US secretary of state Colin Powell, Japan's Junichiro Koizumi and Indonesia's Susilo Bambang Yudhoyono.

He said East Timor needed "inclusive" government and stepped down to make way for the next generation of leaders and end divisive party politics.

He said suspicions about Australia's intentions in the Timor Sea stretched back decades to a contentious Hawke government decision in 1989 to strike an oil and gas treaty with Indonesia - then occupying East Timor.

"Since then, we have Australia - I don't say blacklist - but, to be honest, in a place that was not so good," Mr Gusmao said.

"Australia was the only Western country that formally recognised the [Indonesian] integration."

Mr Gusmao will be a member of a newly formed "Maritime Council" in East Timor, made up of former prime ministers, presidents and other key leaders from the independence movement.

"We have the institutional memory, we know the problems," he said.

He said the maritime dispute only related to 5 per cent of Australia's sea boundary.

"We feel that it is not so good for Australia to continue to say it is not a problem. It is a problem," he said.