Lawyer says federal government bugged his Canberra office over East Timor

The lawyer at the heart of the East Timor bugging case has accused the former Labor government of planting listening devices in his Canberra office.

Bernard Collaery revealed the alleged espionage for the first time on Tuesday at a rally outside Parliament House, organised to pressure the federal government to recognise the maritime boundary claim of the poor nation.

His offices were raided by the Coalition government in 2013, with ASIO officers seizing thousands of documents.

They also raided the home of Witness K (whose identity is suppressed by law), an ASIS whistleblower who alerted East Timor to the bugs planted in its cabinet room in Dili by Australia.

East Timor believes it has lost billions in royalties because the maritime boundary between the two countries does not reflect its entitlements.

In March 2002, two months before the declaration of independence in East Timor, the Howard government withdrew from the maritime boundary jurisdiction of the International Court of Justice, effectively reducing the options for the new nation to negotiate its maritime boundaries.

Australia later installed listening devices in the Timorese cabinet room, gaining a negotiating advantage.

This month Prime Minister Malcolm Turnbull rejected East Timor's request for formal talks to settle the impasse.

At the rally, Mr Collaery also revealed information about Witness K, saying he was a senior official.

"I'm treading a very fine line, even appearing in front of you, in view of new laws that have been introduced since this occurred," he told the small crowd.

"I am constrained but I want to say this carefully – if you go to the Lowy Institute page, it says the bugging was a bumbling exercise that produced nothing."

"Don't fall for that nonsense – if you know your opponent's hand when you're playing poker, it says it all.

"I can reveal today that witness K is … no ordinary intelligence officer.

"He is a patriotic, loyal, very long-serving senior Australian who stood up for our national security.

"The other thing I want to reveal is, after we drafted a letter to Julia Gillard, saying we wanted confidential arbitration in relation to the espionage, it was the Labor government that authorised clandestine monitoring and other devices to be installed in my chambers, offices and witness K's home."

When Ms Gillard was approached for comment, her office said she was in the United States and any response might be delayed.

No response had been received by deadline for this story.

Mr Collaery said other legal figures have suggested an attempt to defraud East Timor of its rightful windfall might be a criminal conspiracy.

"What I want to say now I say very carefully, I'll read it: conspiracies are ongoing events in law," he said.

"Now I direct my remarks to the Foreign Minister Julie Bishop and her advisers: to cover up a criminal conspiracy is to compound that conduct, in layman's terms, it is to revive that conduct.

"Now it's out there – let's see if it will be printed by our courageous journalists."

The federal Opposition says that, if Labor is elected, it will enter good faith talks with East Timor over a new border and submit to an independent determination under international law if the talks fail.

East Timor Prime Minister Rui Araujo wrote to Mr Turnbull on February 1 asking that the two leaders meet to discuss a permanent maritime boundary in the Timor Sea, rich in oil and gas.

Dr Araujo told Mr Turnbull that the current arrangement, where the two countries share oil and gas revenue in a joint development area, does not reflect East Timor's entitlements under international law.

As a result, East Timor believes it has lost some $US5 billion ($6.5 billion) in royalties and tax revenue since independence, enough to fund its entire budget for three years.

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