Australia's spying on Timor-Leste faces police probe

Independent MPs believe Australia could have defrauded the tiny Catholic nation of millions of dollars

Timor-Leste students chant slogans during a rally over a maritime boundary between their country and Australia in Dili in March 2016. (Photo by Valentino Dariel De Sousa/AFP)

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Independent Australian MPs are demanding a full probe into Australia's secret bugging of Timor-Leste officials in 2004 after Canberra's two main parties closed ranks in supporting criminal charges being laid against the spy and lawyer who brought the case to light.

The Australian Federal Police (AFP) are considering launching a full investigation into the spying case dubbed "Australia's Watergate" after Australia eavesdropped on Timor-Leste negotiators using wiretaps built into the walls of a building that its spies installed.

This was done to obtain information during negotiations over the maritime boundary between the countries.

Vast energy reserves lie under the waters between the countries and Australia's aim — ultimately successful — was to get a better deal by drawing the boundary so that Australia would get sovereignty over most of the reserves.

"It's time to get to the bottom of this shameful chapter in Australian history when we sold out an old friend [Timor-Leste] for commercial gain," ex-intelligence officer Andrew Wilkie, a lower house MP, wrote in a recent letter to the AFP.
"We crossbenchers are going after the real criminals here and asking the AFP to investigate the Australian government's conspiracy to defraud Timor-Leste."

Independent MPs like Wilkie, Centre Alliance senator Rex Patrick, Tasmania senator Nick McKim and independent senator Tim Storer all signed the letter.

In the letter, they claim the bugging of predominantly Catholic Timor-Leste could constitute a "conspiracy to defraud" under Section 334 of the Australian Criminal Code Act 1995.

"The federal government is going after Witness K [as the spy who revealed the bugging is known to protect his identity] and his lawyer Bernard Collaery but leaving the substantive matter unaddressed," said Wilkie, who drafted the letter, referring to the actual bugging.

On June 28, Wilkie revealed in parliament that the Commonwealth director of public prosecutions recently filed charges against Witness K and Collaery for disclosing state secrets after the opposition Labor Party sided with the ruling Liberal-National Coalition on the laying of charges.

Collaery, a Canberra lawyer and long-time adviser to various leaders in Timor-Leste, has also criticized the case as an attack on freedom of speech.

In the letter, Wilkie said the crossbenchers were going after the "real criminals here [the Australian government] in asking the AFP to investigate [the case]."

Witness K had his passport revoked several years ago but neither man was known to have been charged until Wilkie revealed so on June 28. There is no public information on when they were charged.

Eavesdropping on secret political decision-making was a move approved by then foreign minister Alexander Downer.

After Downer left politics, he acted as a consultant for Australian stock market-listed energy company Woodside, one of three companies that hold the leases for the biggest of the energy reserves known as Greater Sunrise and worth an estimated US$50 billion, the key to the boundary battle.

After a stint as a lobbyist to clients including Woodside and China's Huawei Technologies, Downer was named Australian high commissioner to the U.K. in 2014, a role he stepped down from this year.

That job then went to Attorney General George Brandis, who was replaced by Christian Porter who laid the charges. Brandis originally confiscated the passport of Witness K.

Collaery first tried to raise the spying matter with former prime minister Julia Gillard's Labor government in 2012 but that administration ultimately took no action.

The spying effectively handed the advantage to Australia in crucial negotiations that, in effect, deprived impoverished Timor-Leste of crucial energy resources for 12 years after a 2006 treaty was signed.
The treaty gave Australia the majority of the vast energy reserves and allowed Australia to reap royalties from their exploitation by Woodside and its partners.

For many years, Timor-Leste tried to have the maritime boundary changed but after getting only pushback from Australia, it took the case against its wealthy neighbor to a United Nations arbitration court in The Hague.

Timor-Leste won the right to have fresh negotiations with Australia and have the boundary changed to a more equitable position.

A new maritime boundary was agreed in March this year, handing the tiny nation access to about US$50 billion in fresh energy reserves.

In an interview on the Australian Broadcasting Corporation on July 12, Collaery described the decision to prosecute him as "heartbreaking," adding that the "law is my life" and a conviction would mean he would be unable to practice.

A spokesman for the Timor-Leste government declined to comment.