



Australian Citizens Party

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MEDIA RELEASE

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Australia Post inquiry exonerates Christine Holgate!

Demand Morrison release the report; replace the board; reinstate Holgate; create an Australia Post bank.

Scott Morrison's *appalling* character assassination of Australia Post CEO Christine Holgate in October has blown up in his face. The inquiry he ordered into her purchase of Cartier watches, conducted by the law firm Maddocks, has completely exonerated Holgate. As Robert Gottlieb reported in *The Australian* on 30 December: "Maddocks found that Holgate was operating under correct Australia Post board procedures and that the Prime Minister had been badly misled."

Now Morrison is trying to bury the report! He has made it "cabinet-in-confidence", which means it can be kept secret for decades. This is outrageous! Morrison's appalling 22 October outburst in Parliament, and demand the Australia Post board stand Holgate aside, was not just an attack on Holgate, it undermined the viability of Australia Post and its 3,000 or so small business licensed post offices (LPOs) whose fortunes Holgate had spectacularly turned around by taking on the banks. By doing so, Morrison is setting up Australia Post for privatisation, a longstanding Liberal agenda. If Australians don't want yet another privatisation disaster, but want to retain Australia Post as a crucial national service, join in the campaign to save Australia Post by expanding it into a post office "peoples bank". Call and email the Prime Minister and your Member of Parliament to demand Morrison:

- Release the Maddocks report;
- Replace the Australia Post board;
- Reinstatement Christine Holgate;
- Create an Australia Post bank!

It is vital that Australians understand the big picture regarding this scandal. The issue is not Christine Holgate and Cartier watches. Nor is the issue how well Australia Post executives are paid—whatever you may think of high salaries for executives of government business enterprises, that has nothing to do with Christine Holgate, who could only work within the existing rules of Australia Post (that allow for high salaries to compete with private sector companies). The issue is that Australia Post is a public asset which was going broke, and dragging its 3,000 LPOs under with it, until Christine Holgate took over as CEO in 2018. She made Australia Post and the LPOs viable by forcing the banks to pay up to cover the real cost of post offices servicing the banks' customers.

In doing so, Holgate proved that the future of Australia Post as a national postal service lay in providing financial services, which is a win-win solution: it provides important financial services to communities abandoned by the banks, and the extra revenue keeps Australia Post a viable enterprise. (Postal services around the world, including La Poste in France, Swiss Post and India Post have all secured their futures in this way, and there is a bill in the US Congress to expand the US Postal Service into a public bank.)

Ambushed!

For her success, Christine Holgate was ambushed in Parliament on 22 October. The difference between what the public was told by both major parties and the media, and the truth, is night and day. The LPOs, the Citizens Party, Bob Katter, Nationals MP Barnaby Joyce, and a few others asked hard questions about what was behind the confected scandal; what has been leaked about the Maddocks report confirms it was an unjustified, dirty, bipartisan political hatchet job.

Labor Senator Kimberley Kitching initiated the dishonest ambush of Christine Holgate at Senate Estimates on the morning of 22 October, following which Labor leader Anthony Albanese asked an equally dishonest question of Scott Morrison in Question Time, implying that Holgate had spent "taxpayers' money" on Cartier watches "in the middle of the worst recession in almost a century". Morrison erupted in hyperbolic outrage, grandstanding that he was "appalled" by Holgate's act and demanding the board stand her aside pending an investigation. The board duly obeyed, implying it had no knowledge of the purchase of the watches. From the ensuing media storm, which included cartoons depicting Holgate as a prostitute, the public was left with the impression that Christine Holgate was a modern-day Marie Antoinette who splurged thousands of taxpayers' dollars on Cartier watches during an economic crisis.

The truth was that Christine Holgate had bought the watches in 2018, not in the 2020 recession. She had rewarded four Australia Post executives for the deal of the century, in which the four executives had conducted intense negotiations with the banks to cough up \$220 million including GST to cover the real cost of Australia Post and its LPOs servicing the banks' customers—the deal saved Australia Post and the LPOs, and made the tax office \$20 million in GST.

As Robert Gottliebsen reported, the Maddocks inquiry “completely exonerated” the Australia Post CEO: “Holgate had the authority to make bonuses of up to \$150,000 *without board approval*. She told the board she was planning a bonus for the executives but did not state the amount. In the end she chose \$20,000 but delivered the bonuses in the form of four \$5,000 Cartier watches. According to Maddocks, the former chairman attended the presentation ceremony. Maddocks details all the events and completely exonerated Holgate.” (Emphasis added.)

In other words, under Australia Post's rules *set by the Liberal and Labor parties*, Christine Holgate would have been in her rights to reward the four executives maximum bonuses of \$150,000 each, but instead gave them a \$5,000 watch each—actually saving Australia Post \$580,000!

Bob Katter MP gave a press conference at a post office in Townsville on 17 December demanding the government release the Maddocks report and reinstate Holgate, as the LPOs are demanding. The Citizens Party is working with Katter to introduce legislation into Parliament to make Australia Post the permanent agency for a public postal “people's bank”. This is the long-term, win-win solution, but in the meantime Christine Holgate has demonstrated that her vision and leadership is indispensable to Australia Post's success for the immediate future. Join in the fight to achieve justice for her and the LPOs by forcing the government to do the three Rs: release the report; replace the board; and reinstate Holgate.

What you can do

Call and or email your local federal MP, and Prime Minister Scott Morrison, Finance Minister Simon Birmingham, and Communications Minister Paul Fletcher, demanding the three Rs: release the report; replace the board; reinstate Holgate.

Scott Morrison: www.pm.gov.au/contact-your-pm (02) 9523 0339
Simon Birmingham: senator.birmingham@aph.gov.au (08) 8354 1644
Paul Fletcher: Paul.Fletcher.MP@aph.gov.au (02) 9465 3950

Click here to sign the petition: [An Australia Post 'people's bank'—a win-win solution for the nation](#)