



# Australian Citizens Party

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## MEDIA RELEASE

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10 March 2021

### **Senate inquiry must expose the privatisation plot against Australia Post**

*Privatisers eyeing off a \$5-10 billion theft of Australia Post, and \$75 trillion in other public assets globally, are the other vested interest behind the removal of Christine Holgate over \$20,000 worth of Cartier watches.*

Christine Holgate's management of Australia Post was spectacularly successful—reviving the organisation and restoring the services it provides to the Australian people. It brought her into conflict, however, with powerful vested interests which wield incredible power over both major parties.

From the beginning, the Citizens Party exposed that Holgate's ambition for post offices to be a mainstay of retail financial services, and potentially expand into a public postal bank, was a threat to the banking monopoly of the Big Four banks, which own the Morrison government lock, stock and barrel. (See [Taking on the banks: The truth about the Australia Post Cartier watches affair](#).) As the saga has unfolded, however, another agenda has become clear: a longstanding plot to downsize Australia Post's services to pave the way for privatisation, which experts predict could fetch \$5-10 billion but which would be a fraction of its actual value as a service to the Australian community. Christine Holgate's banking initiatives that were a potential threat to the big banks also stymied the orchestrated pretext for downsizing and privatisation by restoring Australia Post to profitability.

The full story is detailed in an explosive new report in the Citizens Party's 10 March 2021 *Australian Alert Service* entitled "[Getting in the way—how Christine Holgate upset a \\$75 trillion privatisation agenda targeting Australia Post](#)". At the centre is a lie that is now the subject of the Senate Environment and Communications Committee inquiry into the removal of Christine Holgate. The terms of reference require the inquiry to investigate:

"d. the veracity of evidence provided by the Chair of Australia Post to the Environment and Communications Legislation Committee during an estimates hearing on 9 November 2020; ...

"f. the issues surrounding the secret review of Australia Post by the Boston Consulting Group leading to the introduction of changes to Australia Post's service model;

"g. the future of reductions to Australia Post's service model".

The Chair of Australia Post is Lucio Di Bartolomeo. He was the political assassin deployed by the government to remove Christine Holgate on false pretences, by claiming on 22 October that she had agreed to stand aside over the Cartier watches, when she hadn't. He then claimed on 2 November that she had resigned, except, again she hadn't—she had *offered* to resign on certain conditions which he rejected, thus legally negating her offer, but then announced she had resigned anyway. On 9 November, Di Bartolomeo then lied again to Senate Estimates, by claiming he had not seen a report of a review by the Boston Consulting Group (BCG) into Australia Post. It is this lie, easily proven, that reveals the plot to privatise Australia Post.

Lucio Di Bartolomeo evasively lied to Senate Estimates about the BCG report because the government is hiding the report from Parliament, and he was doing their bidding, just as he did to force Holgate out. BCG is a huge global consulting firm that one professional financial analyst told the Citizens Party "has form in privatisation—it's what they do". BCG got involved in Australia Post through Christine Holgate's predecessor as CEO, Ahmed Fahour, who had been a director of BCG before he became CEO of big four bank NAB's Australian operations in 2004-09, and then Australia Post in 2009-17. In 2014 Fahour enlisted BCG to prepare a report for then Communications Minister Malcolm Turnbull, which separated Australia Post's business into loss-making letters and profitable parcels, and forecast that the losses from letters would amount to \$12 billion over the decade, and offset by the profits from the parcels overall losses for the decade would amount to \$6.6 billion. Fahour used the report to demand reforms, especially to Australia Post's core service obligation of daily mail delivery. On cue, the following year, 2015, Australia Post suffered its first and only ever loss, of \$355 million, which the communications union accused Fahour of exaggerating through special provisions, and which Fahour used as the pretext to spur his agenda, including changes to mail delivery, mass layoffs, and the sale of major real estate assets including Sydney's historic GPO. Following a public backlash against his huge salary, Fahour left Australia Post in 2017 and returned to BCG; he was praised in the 1 September 2017 *Australian Financial Review* for setting the business up "for a possible lucrative

privatisation”.

Christine Holgate replaced Fahour in 2017 on less than half his salary, bringing an entirely different approach to management. She removed the separation between the letters and parcels businesses and set out to grow the business as a whole to fund its service obligation. She told the 27 February 2018 *AFR* she didn't plan on selling more property but “would like to focus on growing the business sustainably”. With this intention, Christine Holgate and her team of executives struck their \$220 million deal with the banks, to pay properly for post offices serving the banks' customers, which enabled Australia Post to make profits without selling real estate and made its long-suffering 2,900 small business licensed post offices viable for the first time.

The government had other plans, however. In 2019 they appointed Lucio Di Bartolomeo as new Chairman, and commissioned BCG to conduct another review to “inform the incoming chairman”—and send a pointed message to Holgate—that they intended to persist with the downsizing of services initiated by Fahour to pave the way for privatisation. One of the BCG partners who conducted the 2019 review, Daniel Selikowitz, co-authored a 2018 article on BCG's website entitled “[The \\$75 Trillion Opportunity in Public Assets](#)”—BCG's dollar value on all the central government assets worldwide they are itching to privatise.

Australia Post received a copy of BCG's review in February 2020, but the government is hiding it from all the stakeholders, including the union, the LPOs and Parliament, which is why Lucio Di Bartolomeo lied on 9 November that he hadn't seen it. The Senate inquiry will now investigate this lie, which has the potential to blow this privatisation plot wide open.

Click here to read the full story: “[Getting in the way—how Christine Holgate upset a \\$75 trillion privatisation agenda targeting Australia Post](#)”.

### **What you can do**

1. Share this release and the link to the full article as widely as possible, including with post offices, unions, and especially your local MP and Senators. Demand the politicians act to stop any moves to privatise Australia Post, which is best achieved by removing the current Chairman and reinstating Christine Holgate as CEO.
2. [Make a submission to the Senate inquiry](#) ASAP (deadline is 19 March), to send the message that Australia Post must not be privatised, and that Christine Holgate deserves to be reinstated both because she did nothing wrong, and in fact managed the organisation brilliantly to make it profitable and able to sustain its essential services.

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