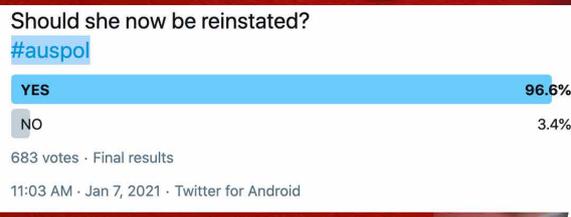


**RELEASE the report!  
REPLACE the board!  
REINSTATE Holgate!**



The release of the Maddocks Report is a victory for the three **Rs** campaign; achieving the first of the three **Rs**: **Release** the report – proving the urgent need for the next two: **Replace** the Liberal-stacked board with non-political directors and **Reinstate** Christine Holgate as CEO.



**Australia Post**  
Investigation into the proper use of  
public resources at Australia Post

Maddocks

Photo: AFP/Saeed Khan

## Morrison releases Holgate report but ramps up smear campaign

27 Jan 2021—The fight to release the Maddocks Report on Australia Post CEO Christine Holgate's purchase of Cartier watches has succeeded! Following a month of calls and emails and some hard-hitting media reports, on 22 January the Morrison government backflipped and released the report that it has been sitting on since late November. However, the government has carefully stage-managed everything about the release—the content, the timing, and accompanying media coverage—to continue to cover up the real agenda behind the atrocious, bipartisan political assault on Holgate and Australia Post. It is clear that in her time as CEO, Christine Holgate made powerful political enemies, who are still determined to crush her for getting in the way of their privatisation agenda for Australia Post.

Everything about the release of the Maddocks report is deeply suspicious. First, the findings are different to the 21 December Australian Financial Review report that it "made a specific finding that Ms Holgate had not breached any rule, policy, procedure or governance requirement or committed any impropriety", and Robert Gottlieb's 30 December report in *The Australian* that it "completely exonerated" Holgate. While it does find there was no "dishonesty, fraud, corruption or intentional misuse of Australia Post funds", it nevertheless emphasised a finding that supported Kimberley Kitching, Anthony Albanese and Scott Morrison's 22 October attack on Holgate in Parliament—that her purchase of Cartier watches was not "authorised" and was "inconsistent" with "proper use of public resources" and with "community expectations". Experienced political observers told the Citizens Party they question whether the information revealed in the metadata of the PDF document, that it was modified the day before its release, explains the discrepancy between the earlier news coverage and the version made public.

Second, the release was timed for 4:00 PM on 22 January, the Friday before the Australia Day long weekend. This is called "taking out the trash"—the way governments minimise scrutiny of official documents they otherwise cannot hide.

Third, the timing of the release coincided with a new round of tabloid media smears, led by Morrison's backers in the Murdoch media and the odious *Daily Mail*, on Christine Holgate's alleged "spending

spree" at Australia Post. Strange bedfellows Scott Morrison and Labor Senator Kimberley Kitching would be pleased at how the reporting tenuously linked the spending—mostly on typical corporate incentives—to the "pandemic" to reinforce the false perception of Holgate as a modern-day Marie Antoinette splurging "taxpayers' money" with no regard for the public. The tabloid smears are intended to give control of the story back to the government, which has copped a huge backlash since the real story emerged that 1) Holgate did nothing wrong; 2) the watches were purchased in 2018 and not in the 2020 pandemic recession as implied; and 3) that they were a reward for an amazing deal with the banks that turned around the fortunes of Australia Post and the long-suffering small business families who run its 2,900 licensed post offices and who call Holgate "the best CEO Australia Post has ever had".

The government's determination to bury Holgate, as further evidenced by this stage-managed release, confirms former Australia Post chairman John Stanhope was right when he told the 24 October *Australian Financial Review*: "I do think Christine has been caught in some kind of wider play."

### Fixed findings

It is clear from the Maddocks Report that its lawyers could find nothing against Christine Holgate, so they fixed their inquiry to deliver a finding the government wanted, under orders from the government. Sydney solicitor Robert Butler sent the Citizens Party a preliminary legal analysis of the Maddocks Report, [available on the Citizens Party's website](#), here are the highlights.

First, Maddocks is an Establishment law firm which [specialises in government work and boasts](#) that "We are trusted advisors to government. ... Our lawyers have a nuanced understanding of the political context within which our clients operate." Translation: we provide the outcomes that suit the government's political needs.

Second, the government's terms of reference virtually dictated the outcome, pre-judging the watches' purchase as wrong by ordering Maddocks to look for similar examples of "inappropriate behaviour".

Third, the inquiry had to invent a "crime" for which to find Holgate guilty. The report acknowledges:

- **Holgate as CEO was authorised to give rewards for good performance;**
- **The executives did deserve to be rewarded for the hard work they put in working nights, weekends and holidays to achieve the amazing deal that massively benefited Australia Post;**
- **Chairman John Stanhope did authorise Holgate to reward the executives;**
- **Australia Post's rules do authorise Holgate to spend money at her own discretion on behalf of Australia Post up to at least the amount of the \$150,000 limit on her company credit card;**
- **The \$20,000 payment for four watches—1/10,000th of the money Australia Post made from the deal the executives achieved—was approved by the Chief Financial Officer;**
- **Australia Post did pay Fringe Benefits Tax on the watches, as the ATO confirmed in letters to the recipients (which proves the watches were rewards, not gifts); and**
- **The purchase was audited and confirmed to have been handled correctly.**

So how could they find against Holgate? Only by reducing the issue down to the extremely narrow question of whether Holgate was specifically authorised to buy watches. The Maddocks Report found that although Holgate was authorised to reward the executives, neither Australia Post's rules, nor the chairman and board, specifically said she could do so by buying watches, and therefore she was wrong to have bought them.

"To tie her down to something so specific is ridiculous", former long-time ANZ director John Dahlsen commented to the Citizens Party. "I'm disgusted at the board for not supporting her."

In truth, the board members are complicit in the political assault on Christine Holgate. The Maddocks Report's finding hinges on their testimony, in which they all denied any knowledge of the watches until the issue erupted in Parliament two years later in October 2020, and all said they would never have approved of buying watches. This testimony has zero credibility: if watches for some reason are so "inappropriate", but their purchase wasn't a secret, how could they have not known for two years? Also, the board is stacked with senior Liberal Party apparatchiks. Four of the six current directors who were on the board when the watches were purchased in 2018 are top Liberals, and their far-fetched testimony conveniently supported Morrison's position.

(Ironically, the new tabloid assault on Christine Holgate inadvertently caught out the board in their falsehoods, by revealing that they had all signed a gift Holgate bought for departing chairman John Stanhope, a \$2,095 Montblanc pen—so the board approved an expensive pen for a retiring chairman,

but we're expected to believe they would never have approved expensive watches to reward the executives who landed the deal of the century?)

## Real agenda?

That Christine Holgate was "convicted" on a ridiculous premise and the false testimony of the Liberal-stacked board, and the government is still orchestrating attacks on her, underscores the former chairman's hint of a "wider play" against her. When Scott Morrison erupted against Christine Holgate in Parliament on 22 October, the Citizens Party questioned whether it was because the major banks weren't happy at reports she had looked into turning Australia Post into a bank, an idea which [michaelwest.com.au](http://michaelwest.com.au) predicted on 25 April 2018 the banks would fight "tooth and nail". Another factor is the longstanding major party agenda to privatise Australia Post, which she stymied by restoring profitability through her banking deal.

The release of the Maddocks Report is a victory for the three Rs campaign; achieving the first of the three Rs, **Release** the report, proves the urgent need for the next two:

- **Replace** the spineless, Liberal-stacked board with non-political directors who will be more concerned for Australia Post than the PM's political machinations; and
- **Reinstate** Christine Holgate as CEO.

This is how we can save Australia Post from financial sabotage and privatisation, so it can be expanded into a post office "people's bank" that can break the monopoly of the Big Four banks.

## What you can do

To download the preliminary analysis of the Maddocks Report to email to the following politicians, with the demand they stop the smear campaign, replace the board and reinstate Holgate, use this link: [www.citizensparty.org.au/maddocks-analysis](http://www.citizensparty.org.au/maddocks-analysis)

**ALP leader Anthony Albanese:** (02) 9564 3588  
a.albanese.mp@aph.gov.au

**ALP Communications Minister Michelle Rowland:** (02) 9671 4780  
michelle.rowland.mp@aph.gov.au

**PM Scott Morrison:** (02) 9523 0339  
www.pm.gov.au/contact-your-pm

**Finance Minister Simon Birmingham:** (08) 8354 1644  
senator.birmingham@aph.gov.au

**Communications Minister Paul Fletcher:** (02) 9465 3950  
paul.fletcher.mp@aph.gov.au

**Call and email all National Party** politicians and demand they stand up for their rural and regional communities, which are so dependent on Australia Post's services, and tell Scott Morrison to replace the board and reinstate Christine Holgate:

**Nationals MPs:**  
[www.citizensparty.org.au/nationals-mps](http://www.citizensparty.org.au/nationals-mps)

**Nationals Senators:**  
[www.citizensparty.org.au/nationals-senators](http://www.citizensparty.org.au/nationals-senators)

**Sign petition for an Australia Post people's bank: [info.citizensparty.org.au/auspost-bank-petition](http://info.citizensparty.org.au/auspost-bank-petition)**

**Please print and share this release with your local Australia Post branch.**

Authorised by C. Isherwood, Australian Citizens Party, 595 Sydney Road Coburg VIC 3058



*Citizens taking  
Responsibility*

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