



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE
MINISTERIAL STATEMENTS

Oil for Food Program

SPEECH

Monday, 27 November 2006

BY AUTHORITY OF THE SENATE

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Questioner
Speaker Brandis, Sen George

Source Senate
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Senator BRANDIS (Queensland) (4.33 pm)—Contrary to the rather ignorant remarks that have fallen from the Leader of the Opposition in the Senate just now, the government has taken responsibility in relation to this matter in the most direct, immediate and transparent way, and that is by establishing the Cole commission to thoroughly investigate the scandal. Let there be no doubt about this. This is a great scandal—one of the great scandals of Australian history. But it is not a political scandal; it is a commercial scandal. It is conduct of an egregious character engaged in by AWB Ltd, a commercial enterprise no longer, nor at the time of these events, a government owned corporation.

In the report of his inquiry, tabled in the House of Representatives within the last hour, Mr Cole, a commissioner whose independence, integrity and thoroughness are not subject to dispute, has made some key findings. I will turn to them in a moment. Let me read onto the record what Mr Cole said about the context of his inquiry. He said this:

... AWB has cast a shadow over Australia's reputation in international trade. That shadow has been removed by Australia's intolerance of inappropriate conduct in trade, demonstrated by shining the bright light of this independent public Inquiry over AWB's conduct.

So who would you believe? Would you believe the cheap rhetoric of the Australian Labor Party, who claim that this is a cover-up? Or would you believe the observation of the independent commissioner who subjected these events to a searching inquiry lasting for 76 hearing days, who produced a five-volume report nearly a foot thick, who has no axe to grind and no end in view but to expose the truth? Of course Mr Cole is the man who speaks with authority on these matters. He speaks with more authority than anybody else in Australia, and his assessment is that the inquiry has shone a bright light on AWB's conduct.

I, of course, have not had time to absorb the contents of these five volumes in the last hour or so—but I understand that the commissioner recommends that several individuals, most of them officers or former officers of AWB Ltd, be referred to the Director of Public Prosecutions so that the criminal law may take its ordinary course. But, the significant—because, as I said at the start of this contribution, this may be a commercial scandal but we now know as clearly as can be from Mr Cole that this is not a political scandal—finding on Mr Cole's part in relation to the allegation of governmental and political involvement is this. Let me read from paragraphs 6.26 and 6.27 of the report:

I—

that is, Mr Cole—

closely examined the role of the Commonwealth, and particularly that of the Department of Foreign Affairs and Trade, in relation to the operation of the Oil-for-Food Programme, with particular emphasis on the Department's role in the export of wheat to Iraq by AWB during the programme.

I found no material that is in any way suggestive of illegal activity by the Commonwealth or any of its officers. There was thus no basis for my seeking any widening of the terms of reference in that respect.

One of the red herrings that has been tossed around with carefree intellectual dishonesty by the Australian Labor Party is the suggestion that the inquiry was artificially narrowed in its scope by a limitation of the terms of reference. Not so. That is not the truth. The truth is that on five occasions Mr Cole asked for his terms of reference to be expanded so that he could pursue what he considered to be relevant lines of inquiry. And five times, without demur, the terms of reference of the Cole inquiry were expanded. So the suggestion that this commission has had too narrow a focus does not bear scrutiny and could not be maintained by any honest person who is familiar with the history of the inquiry. As Mr Cole himself said in today's report:

I found no material that is in any way suggestive of illegal activity by the Commonwealth or any of its officers. There was thus no basis for my seeking any widening of the terms of reference in that respect.

Not my words, not Mr Downer's or Mr Howard's words—Mr Cole's words.

That is the governmental or public administration aspect or focus of the inquiry, which gave DFAT and its officers a clean bill of health. But what about specifically the political implications—the suggestion that there had been some political involvement or some breach of political duty on behalf of the ministers of the government? Mr Cole addressed that matter as well. He said, and I quote from paragraph 30.241 of the report:

... there is no evidence that any of the Prime Minister, the Minister for Foreign Affairs, the Minister for Trade or the Minister for Agriculture, Fisheries and Forestry were ever informed about, or otherwise acquired knowledge of, the relevant activities of AWB.

As well, Mr Cole found there was no evidence to support any inference that anyone had turned a blind eye to the matters the subject of his inquiry.

So those are the findings. For some months now in the political debate in this country, the Australian Labor Party has thrown around in a loose, careless and intellectually dishonest way all manner of allegations, directed particularly at the Prime Minister, the Minister for Foreign Affairs, the Minister for Trade and various other members of the government. The government's response has been consistent. The government has merely said, 'Let us wait and see what Mr Cole finds.' We alone, of the 66 countries that were involved in this scandal, set up an exhaustive, searching, transparent, public inquiry. We alone, having taken that course, were prepared to rest content with its findings. Nobody in the government knew what Mr Cole was going to find—of course they did not. Because Mr Downer and the Prime Minister and others knew that they had behaved honestly and diligently throughout, because they knew they had nothing to hide, they could throw that hostage to fortune, could say on the public record, both in speeches in the House of Representatives and in the media: 'Let us rest content and allow ourselves to be judged by what Mr Cole finds.'

But if it is good enough for the government to be judged by what Mr Cole finds then it is good enough for the opposition and the political critics of the government to be held to his findings too. His findings could not be more unambiguous: that there is no evidence of any misconduct or any neglect of duty or any turning of a blind eye at the political level, by Mr Downer, by the Prime Minister, by the Minister for Trade or by any other relevant actor; nor is there any evidence of misconduct by any officers of DFAT. There is evidence of grievous misconduct on the part of a number of individual business executives, but this, as I said at the start—as Mr Cole has now told us in clear, unambiguous language—was only ever a commercial scandal. The attempt, for opportunistic reasons, to inflate it into a political scandal does not now bear scrutiny in light of what the Cole report has told the parliament today.