



Transcript of Proceedings

CRIME AND MISCONDUCT COMMISSION

MR R NEEDHAM, Chairman

No 5 of 2005

PUBLIC HEARINGS INTO GOLD COAST CITY COUNCIL

BRISBANE

..DATE 14/10/2005

..DAY 6

WARNING: The publication of information or details likely to lead to the identification of persons in some proceedings is a criminal offence. This is so particularly in relation to the identification of children who are involved in criminal proceedings or proceedings for their protection under the *Child Protection Act 1999*, and complainants in criminal sexual offences, but is not limited to those categories. You may wish to seek legal advice before giving others access to the details of any person named in these proceedings.

THE HEARING RESUMED AT 9.47 A.M.

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ROXANNE SCOTT, CONTINUING:

MR NYST: Yes, Commissioner, could I raise a matter just before we start this morning. Again, it relates to the reporting of these proceedings, and I don't want to be tedious about this but-----

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CHAIRMAN: I haven't seen it this morning, I must say, in the Gold Coast Bulletin.

MR NYST: I must say that, in my respectful view, it is more balanced than it has been, but the matter I wanted to raise, and it's a matter that I've had some discussions with Mr Temby about this morning, is the fact that there has been a reporting of the claims of privilege by Ms Scott and Mr Pforr in terms that are calculated and suggested in some way those claims imply some culpability on the part of each of them.

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Now, for example, the Gold Coast Bulletin on the front page has a photograph of Ms Scott with her hand over her face and beside it the report - the headline "Privilege Claims" as though that is some newsworthy event, and it's then followed up by the headline "Something to Declare". The lead paragraph says:

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"Details of another trust account emerge."

And then it goes on to say:

"The failed Southport Council Candidate Roxanne Scott claimed privilege as discrepancies in her electoral return were raised during the Crime and Misconduct Commission hearing."

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And then further down:

"Ms Scott became the second witness after Grant Pforr to claim privilege. She was subjected to sustained questioning about her electoral returns."

Opposite another headline, "Councillor Pforr off stand for legal advice":

"Councillor Pforr will not take the witness stand again until he received legal advice."

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And it says:

"He has already claimed privilege at the public inquiry to protect himself from potential prosecution" -

and so forth. The Courier-Mail also ran an article-----

CHAIRMAN: I don't know that I need to have-----

MR NYST: No, well the point being-----

CHAIRMAN: -----100 examples of the same thing. Your point is made.

MR NYST: Yes, thank you. The point being - I mean, this is really just a simple exercise of-----

CHAIRMAN: Well, I think I understand the point. All of that seems to be factual; however, that juxtaposition of the claim and photograph of Ms Scott with the hand over the face does quite clearly give rise to a certain form of inference which is not justified. And I would state for the assistance of the media, that the claim of privilege by a person is not taken to be any admission of guilty, and it's something that some person who is unsure of their particular circumstances is wise to do, and perhaps would be foolish not to take the claim of privilege. And the media should be careful not to assume from that that there is any assumption of guilt and should not print anything in any way that suggests that.

MR NYST: Thank you, sir.

MR BOYLE: Mr Chairman, I haven't read the article but if it's printed in the paper as if there has been a claim of privilege, it may be thought that the witness in the end is not answering under that privilege when the reality is the witness has taken the objection and Mr Chairman's directed the witness to answer the question giving that witness a certain protection.

CHAIRMAN: I don't think any of it's reporting it that way, that it's being used to avoid answering questions.

MR BOYLE: It's not entirely clear-----

CHAIRMAN: None of what Mr Nyst read out gives that indication, but also what you say is correct, that it doesn't allow - in these circumstances it doesn't allow a witness to avoid answering, as you point out. Yes, thank you, Mr Boyle.

MR BOYLE: Mr Chairman, does the witness have to be reminded as to-----

CHAIRMAN: Yes, you're still on your former oath from yesterday, Ms Scott?-- Yes, thank you.

MR BOYLE: Yesterday, Ms Scott, when we adjourned we were discussing the Mal Chalmers' money that you received?-- Mmm-hmm.

You say that he contacted you. Did he tell you how much money was there?-- I believe so - \$5000.

Right. And you received - or did he say anything about how you were to obtain that money?-- No, it was a little bit vague. I thought that I would be submitting accounts to him and he would pay the accounts, which I did for two accounts, and then I realised that I could just ask him for the remainder of the funds, which I do, so - then I could just use it more readily for myself.

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Okay. Well, we will take you to those documents, two accounts. Are these the two accounts which you've provided or copies of accounts you provided to the CMC which were forwarded on to Mal Chalmers for payment?-- Yes.

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And that's your handwriting there?-- Yes.

"Paid by Mal Chalmers Lawyers"-----?-- Yep.

-----on both of those accounts?-- Yes.

All right. I will tender those two documents, Mr Chairman.

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CHAIRMAN: Yes, they will be Exhibit 63.

ADMITTED AND MARKED "EXHIBIT 63"

WITNESS: Could I just tender a document myself. I believe this is a document that I received at the information session in October and I didn't read the one you provided me with yesterday. It was a black and white photocopy so I couldn't remember. It was - was two years ago. So I'd just like to tender that and you can compare whether it's the same as the one-----

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CHAIRMAN: Certainly. Certainly. So that's the one you received at the-----?-- I believe so. It's the only document I had at home in relation to anything.

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Okay. All right. Yes, that will be Exhibit 64.

ADMITTED AND MARKED "EXHIBIT 64"

MR BOYLE: So that's a document you received at the December meeting; is that right?-- No, no, the Local Government Information Session that I went to in relation to candidates.

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CHAIRMAN: Which you said was on the 6th of October '03?-- I - yeah, I think it was the 6th of October, at Evandale.

MR BOYLE: You had those two accounts paid by Chalmers and then you sent him a letter; is that right?-- I can't remember quite frankly whether I phoned him or whether I sent a letter.

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Oh I'm sorry, yes, I might have got that wrong. You phoned him and asked to get the balance of that \$5000 sent to you?-- Yes.

And then you banked that balance into your campaign account; is that right?-- Yes.

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For completeness, I might just show you a copy of this letter. That's a letter which you sent enclosing those two accounts to Mal Chalmers. Is that right?-- Yes.

Mr Chairman, can that be just placed with the last exhibit. That was the letter accompanying the two accounts to Mal Chalmers.

CHAIRMAN: Can I see a copy of the letter?

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MR BOYLE: Sorry.

CHAIRMAN: Oh I see, that was a letter that you sent with these two accounts?-- Two accounts.

Oh I see?-- To ask them to pay for those accounts, yes.

Sorry, I thought Mr Boyle was indicating it was a letter you sent at a later time but, no, okay, that can be marked as part of Exhibit 63. Do you have a copy of that for me? If you don't, it doesn't matter.

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MR BOYLE: Now, there was an article in the paper relating to that particular payment from Chalmers to you; that's right, isn't it?-- I don't remember an article. There may have been.

Can you recall any article that - relating to Mal Chalmers at all and the payment to you?-- Not until the last couple of weeks, about three or four weeks ago I think there was something but other than that I don't remember reading anything about it.

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Right. So it was a fair while after the election, I'm suggesting that it was some time in around August that you-----?-- It could have been. I don't read the paper routinely so I may have missed it.

And there was article concerning the fact that The Bulletin and whether Mr Chalmers needed to file a return?-- What date was this article?

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This is the 19th of August 2005?-- Again, I don't remember reading it. It may have been there.

Well, I'll show you a letter from Mal Chalmers to-----

CHAIRMAN: Well, the 19th of August, are you correct on that? I'm looking at extract number 85 in Exhibit 3 of the media clippings and there is an article that refers to the sort of thing you're referring to but of the 23rd August and perhaps it might be best if the witness sees that. Exhibit 3, the folder of media clippings. Open it up to number 85, thanks. Do you recall whether you saw that article, Ms Scott?-- That was this year, yes-----

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Yes?-- -----I don't know whether I saw it, I may have, yeah. I was aware that there was some - The Bulletin was ringing me - Fiona Hamilton was ringing me quite regularly about that stage so I was aware that something was written. I didn't feel it was my responsibility to - I mean, if Mal Chalmers had to put in a third party return and he hadn't I didn't feel that that was my responsibility.

10

Sure, sure. No, that's - no-one's suggesting that you had to carry out any responsibility on him but it's just some people have suggested that if it was a trust account held by Mr Chalmers then perhaps he should have put in a return. this shows that in fact he hadn't put in a return and it indicates that - further down - "When The Bulletin alerted Chief Executive Officer Dale Dickson's office about the omission yesterday Mr Chalmers was contacted and told to lodge a return. We've taken the matter up with the solicitor concerned said a Council spokesman. The Local government Act does have disclosure periods. There is a penalty." All right?-- Yes.

20

But as you say that was his responsibility, not yours. Did you receive subsequent to that a letter from Mr Chalmers?-- Yes, I did which I immediately gave to the Council. Apparently Mr Chalmers sent it to my P.O. box number that I was using during the Council campaign initially so - it went astray or came back to him and down the track I did receive it and immediately gave it to the Council.

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And you've got that letter?-- Yes, that's it. I've written up the top there, "Attention Tony Davis" - that's when the Council - when I faxed it.

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Tony Davis is a Council officer, is he?-- Yes, I believe so. He was the one asking me for that information.

All right?-- And the - immediately on me giving it to Tony Davis it was printed in The Bulletin the next day.

Right. And you understood then that Family Assets Pty Ltd would have been a company associated with Mr Rix?-- I'd never heard of Family Assets Pty Ltd previously so I didn't know what they were.

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I presume you assumed it was one of Mr Rix's companies?-- That's correct, yes.

Do you want to tender that, Mr Boyle?

MR BOYLE: I'll tender that letter.

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CHAIRMAN: That will be Exhibit 65.

ADMITTED AND MARKED "EXHIBIT 65"

MR BOYLE: So far as Mr Rix is concerned, I was asking you questions yesterday about whether Mr Rix was involved in some sort of development type work; can you recall that?-- Yes. The only knowledge I have of Norm Rix is he owns the Pit Stop and I think I said it was on Ashmore Road but it's not, it's Nerang/Southport Road.

10

CHAIRMAN: He owns the which?-- It's - Pit Stop, it's a little shop, it's like a grocery store and a couple of other things, that's the only thing I know about it because that's where I met him.

20

MR BOYLE: All right. And you said that - well, I asked you did you know he was a developer and you said no yesterday and I said Rix Developments and you said, "No, I didn't know. I don't mix in those circles"?-- No - well, I didn't know him as a developer. I knew he'd had some application in Council for that particular shop. I mean, maybe I'm a bit thick but what's the definition of a developer, is it someone who just owns a shop or is it someone who does multi-storey high rises? I wasn't aware that he had any major development links beyond what I could see there when I called in on him.

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Can I show you a photograph?-- Yes.

Does that fairly depict the shop that you went into to discuss things with Mr Rix?-- If that's the shop on Nerang-Southport Road, without seeing it in context, the wider picture, I'd say it would be and it certainly says Rix Developments, but - yeah. It didn't really occur to me what he was.

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Well, was that truthful what you said yesterday, you didn't know he was a developer?-- Yes. I mean, I didn't know the man. It says Rix Developments on the sign but it wasn't a concern to me. It wasn't something that I had thought about one way or the other.

Ms Scott, you're trying to distance yourself from approaching a developer for money. That's what I'm suggesting?-- I approached a great deal of - many people for support. I didn't ask Norm Rix for money.

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It was very few the number of people that you actually approached for money, wasn't it?-- Mmm, yes, because as I said, I don't like asking people for money.

I'm suggesting to you, you well knew that he was a developer?-- Well, fine. Maybe I did but I didn't know him

personally. The only thing that I could have known was that sign there that says Rix Developments.

1

It's a fairly obvious sign, isn't it?-- So you say.

Well, what do you think?-- I walked into what looked like a little grocery shop and there was a lady there at the counter. It looked like a 7-Eleven store to me. Norm Rix's office was adjacent to that store. I believe it's all part of the one complex.

10

Do you accept that you knew that \$5,000 came from Rix?-- Yes, I do accept that I had a very good idea that it was probably from him but he had asked me to keep that information confidential and I was trying to respect his wishes, and also in looking at the Act I thought it said I only had to declare the trustee and the trustee's address, that's how I interpreted the Act and that's what I declared.

Well, I suggest to you that the return was false in that regard by putting down Mr Chalmers as opposed to Mr Rix?-- Well, I have to claim privilege in regard to those statements. Again, as an unsuccessful candidate, when I completed that return I never believed that I would need to seek legal advice how to fill out the return when I was an unsuccessful candidate. There was no chance of me ever being in council, ever making any decisions in council as an unsuccessful candidate. So my return, I saw it as more of a formality of just - and I filled it out to the best of my knowledge but I certainly didn't think to seek legal advice in the terminology I was using.

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It's a legal requirement, not a formality, isn't it?-- It is, yes. And I complied as far as I could within my own knowledge.

Well, who told you - you said just before that someone told you that he - to not disclose the fact that Mr Rix donated?-- Well, I understood the reason he was doing it was because he didn't want a backlash from Councillor Crichlow.

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How did you get that understanding?-- Well, that was my general understanding, just my observance of Councillor Crichlow's behaviour on many occasions.

No-----?-- But-----

I'm asking you from Mr Rix or Mr Chalmers or who was it that you got that understanding that it was not to be disclosed that the money came from Mr Rix?-- I - I don't remember, that was just the impression I got. I don't remember why. Why else would he do it that way? It's just my assumption that he did it that way because he didn't want it to become public.

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What do you say to the proposition that you didn't put down Mr Rix in your return because you didn't want to disclose that you got money from a developer?-- No, that's not correct. I

didn't put it in my return because Mr Rix didn't want his name published and any backlash. 1

I tender the photograph, Mr Chairman.

CHAIRMAN: Yes, that will be Exhibit 66.

ADMITTED AND MARKED "EXHIBIT 66" 10

MR BOYLE: We might turn to Quadrant. Apart from collecting cheques did you have any dealings with Mr Hickey?-- No.

Had you ever met Mr Hickey?-- No, I think I mainly just talked to his secretary. I think I talked to him on the phone at one stage, just to ask when I could collect that second cheque. Mainly when I went to collect it, it was just an envelope with his secretary. 20

Now, in evidence yesterday you said that you did not attend a meeting on the 8th of January, to your recollection?-- Exactly. Not a large meeting. There might have been one on ones with me and Chris Morgan or me with Dana Morgan.

Did any other councillor go along with you to the meetings that you had with Chris Morgan?-- Once or twice Councillor La Castra came along because I had, as I said yesterday, approached him for some sort of mentoring advice throughout the duration and I felt I would like a second opinion on what - what we were putting together. 30

So how many occasions did he come along?-- I can remember one clearly. I'm not sure whether there were any more. There might have been a second one, I can't remember.

What sort of things did he contribute to the meeting?-- Only just his own expertise in having run campaigns previously. 40

Did he give you any other advice during the course of the campaign?-- Well, his initial advice to me was that when he initially ran he did two-colour letter box drops, he did three, one each week prior to the election. He also didn't - he didn't take any funding for his campaign. He kept costs to a minimum. So his advice was more around how I could run a campaign on a shoe string rather than anything else in those early stages. 50

How many times did you go to him for advice during the course of the campaign?-- I didn't count them. I rang him a number of occasions.

More than 10?-- When I was putting media releases together I often would ask him for his advice in case I said something inadvertently that I - through my naïve approach, might -

might be construed in a - in the wrong way, just general advice, it wasn't anything specific.

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So you sent him a copy of press releases?-- Sometimes I just rang him up and I said, "What do you think of this paragraph?" and I'd just read it out. Other times I may have sent him a copy.

Well, how much contact did you have with him; more than 10 times in the course of a-----?-- Possibly around 10 times, I'd say. That was from November 2003 to March 2004, over an extended period and possibly more contact earlier on than later.

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So he sort of gave you strategic advice?-- Mmm.

Is that right?-- Yes.

People that turned up to the first meeting that you told us about on the - that Quadrant, the 16th of December, you said Councillor David Power; now, what contact did you have with him through the campaign?-- Oh, virtually none, really.

20

Can you recall any instance where you spoke to him or had any sort of contact with him?-- Um, I think I met with him once; it may have been prior to that meeting, just very briefly for coffee; mmm.

Before the Quadrant meeting?-- I - I can't remember whether it was before or afterwards. I know we met at one stage and had a cup of coffee together just to - when I was running, but then I did that with Councillor Grummit and other councillors as well.

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CHAIRMAN: Was that at your instigation?-- Yes. Yes.

MR BOYLE: What was-----?-- It might have been prior to that-----

CHAIRMAN: So presumably-----?-- -----from memory but, you know, if I've got it wrong just forgive me. It was so long ago. But from memory I had heard that there might be some funding available and I'd contacted Chris Morgan and I was just trying to find out a little bit more about what - what was going to be available and his name must have been given to me so I - we had a cup of coffee. I don't - but I didn't know any specifics much until that meeting on the 15th of December, mid-December, whenever it was.

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MR BOYLE: So did you know Councillor Power was going to be involved in the 16th of December meeting?-- Goodness. Um, I think I did, yes.

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Did you discuss funding with Councillor Power at this discussion?-- I think I - I think I probably did, yes.

What did he tell you?-- It - it's so long ago. It's very vague. I mean, we just met for a cup of coffee and had a chat

and I - I think I'd heard that there was funding available. I probably asked him. I don't think I remember anything clear that he said back to me because the first time I really - I mean, I knew there was some funding available. I had no idea how much or what for or anything until really that Quadrant meeting.

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Councillor Sue Robbins; did you speak to her at all?-- No, I didn't; only at that meeting.

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Now, you said you weren't sure about Councillor Shepherd, whether he was at the Quadrant meeting?-- Mmm. No, I can't remember.

Did you have any contact with him during the course of the campaign?-- No.

What about Councillor Grew?-- Councillor Grew was at the Robina Chamber of Commerce meeting that I went to. That was the only time that I spoke to her.

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So that was - that was well before the meeting at Quadrant?-- Yes, August at some time.

There was - was there any discussion about funding there?-- Only by me just saying that I was running and I was seeking support throughout the Gold Coast community; not money as such though.

Did you say - did you say that to Councillor Grew, did you?-- Um, well, I advised her that I was running. She was there, yes, I told her that I was running.

30

What did she say?-- She said I'd been in tears before the end of the campaign, basically was one of the things she said.

But she didn't offer any support?-- No, not as such No. Certainly not financial support, no, nothing.

Did you have any contact during the campaign with Rob Molhoek?-- No. As I said yesterday, I was actively helping Peter Keech in his campaign because Peter Keech was working in Peter Lawler's office who had helped me significantly so I felt I was more aligned with Peter Keech than Rob Molhoek.

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Greg Pforr?-- Grant Pforr.

Grant Pforr, sorry?-- No, not during the campaign.

No contact with him?-- No.

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Brian Rowe?-- I may have phoned Brian Rowe at one stage when I was concerned about the funding because towards the end we had been promised - as I said yesterday, we had been promised this funding and it just didn't seem to be forthcoming and in the end I was quite concerned. I think I rang Brian Rowe to find out what his situation was in relation to funding and I can't

even remember what he said but I think he was in exactly the same situation that I was.

1

Well, from that discussion you then knew that he was receiving money from the same fund?-- I'd assumed all the people at the meeting had received funding.

Yes?-- I was incorrect in assuming that Councillor Molhoek - that it - received funding.

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But he confirmed that the position was much the same for him?-- Mmm.

So far as this trust fund and getting money from it?-- Yes.

Did this trust fund have a name, that you know of?-- I only knew it as Tony Hickey Trust Fund, Tony Hickey Lawyers Trust Fund.

No other terms, like Commonsense Fund or anything like that?-- Not as in a legal term, no.

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Like, Lionel Bardon Commonsense Trust?-- Well, I think that was mentioned in the newspaper but, as I said, I don't always believe what is written in the newspaper so I didn't think to use that as a term.

The Power and Robbins Trust?-- No, didn't know anything like that. Just - like, what was the name of the trust?

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CHAIRMAN: Good question?-- I still don't know.

MR BOYLE: Greg Betts; did you have any contact with him apart from that meeting on the 16th of December?-- No.

Well, if we can just move on. We were - you say you can't recall the meeting on the 8th of January. I'd like you to just have a look at this e-mail for me. That's an e-mail dated the 22nd of December 2003 from Chris Morgan and it was sent to a number of people including yourself?-- Mmm-hmm.

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Do you remember ever seeing that e-mail?-- I think I remember the e-mail but I don't remember another board room meeting, I only remember the one.

You can't recall responding to that e-mail in any way?-- No. I - no, I can't. I can't remember whether I had something else on that day that I couldn't attend or - I mean, maybe - I don't know, I just don't remember attending a second meeting. I think I would remember it. And I'm not trying to hide anything, I told you about the first meeting so if I was at a meeting I'd certainly tell you but I just don't remember being at another large board room meeting at Quadrant.

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All right. Well, am I right in thinking that this e-mail appears to have been sent to all the new candidates from that first meeting? Is that right?-- Yes.

There was - so Greg Betts, Grant Pforr, Rob Molhoek, and yourself?-- Mmm-hmm.

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Is that right?-- Yes.

CHAIRMAN: And Brian Ray.

MR WEBB: Brian Ray.

MR BOYLE: And Brian Ray. Ms Scott, can I suggest to you that there was a meeting on the 8th of January and that you attended as did Mr Pforr and Mr Betts?-- Well, okay, if there was a meeting there was a meeting, but I'm sorry, I just don't remember it as - as a separate event. I just - it was such a whirlwind, I was doorknocking all day, I was taking phone calls throughout the day, going back writing letters to people in the evening and returning phone calls in the evening. I was trying to squeeze in everything I could. If there was a meeting it mustn't have been a very memorable one because quite frankly I don't remember it.

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Getting funds for your campaign would have been fairly important in your mind, wouldn't it?-- Well, initially, as I said, it wasn't because I certainly would have sought funding if it was available but initially I didn't anticipate any funding, so - it wasn't my main strategy to go out and get a lot of money to run a campaign. As I said, doorknocking was my primary strategy.

It's not as if you ran in many campaigns?-- No.

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This is the only one?-- The only one.

So-----?-- And I modelled it on what Councillor Grummit had done when she was elected and she doorknocked extensively and that was what I was planning to do as well.

So you can't remember this meeting?-- No.

Okay. Yes, I tender that e-mail dated the 22nd of December 2003.

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CHAIRMAN: That will be Exhibit 67.

ADMITTED AND MARKED "EXHIBIT 67"

CHAIRMAN: I'm told 68, I've got 67.

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MR NYST: I think it's 67.

CHAIRMAN: I think you're outvoted.

ORDERLY: I had it already written up.

CHAIRMAN: Sixty seven.

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MR BOYLE: Now - excuse me one moment. Can I show you another e-mail dated the 19th of January. Now this particular e-mail is to David Power from Chris Morgan. You see at the bottom of the page?-- Mmm-hmm.

Now, it says there at point 2, "New divisional boundaries. We have prepared draft art work and brochures for Roxanne and Greg." Now, was that right, at about that point on the 15th of January, that they'd done draft art work for you, the brochures?-- I'd say it would have been, yes.

10

Now-----?-- The map they're talking about was the map that was on the back of the brochure.

Then, "I urgently need disc art of the new divisional boundaries"?-- Mmm-hmm.

Is that right? Would that be about the right time for that?-- Is that January? I'd say so.

20

Well, were you aware that Chris Morgan was reporting back to David Power and Sue Robbins about such issues about your campaign?-- No.

So you really had no idea what was going on behind the scenes?-- Well, no, not - I haven't seen this e-mail before.

All right. I'll tender that e-mail.

30

MR NYST: I think it's already Exhibit 44.

CHAIRMAN: 44, is it? I was looking for it. I thought it was in.

MR BOYLE: All right. Well, I'll hand that back again.

CHAIRMAN: Yes, that's Exhibit 44.

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WITNESS: The divisional boundaries would have been - I mean, the Local Government Department would have provided the map for the new divisional boundaries and I think all Chris Morgan is asking for is for that map. He's not asking them for input to my campaign as such.

CHAIRMAN: No?-- Is how I interpret it.

Look, I wouldn't worry about it too much.

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MR BOYLE: All right.

CHAIRMAN: Can I just show you this. It's perhaps not a matter of great importance but you should have the opportunity of seeing it. This is an extract from what might be called a workbook kept by Chris Morgan that's been provided among his material to the Commission?-- Yep.

I don't know if you recognise his writing after dealing with him a little bit?-- I believe you. No, I don't really know what his writing's like.

1

And you'll see that it's headed 8th of January?-- Yeah.

And he seems to have the notes of what's - he's noted down-----?-- Yeah.

-----at the meeting. He's discussed things with various people?-- Mmm-hmm.

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One of them being, I think, what, Mr Betts, isn't it?-- Yes.

There's Roxanne?-- Yep.

And I think-----?-- And Grant.

-----Mr Pforr at the bottom of the page?-- Mmm-hmm.

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That tends to suggest there was a meeting on that date at which those two people at least and you were there and those various things were discussed about each of those three persons' campaigns?-- Well, that - that could be the case. As I said, I didn't remember a large board room meeting with the same number of people as in December but there were certainly one on ones with me and Chris Morgan and there may have - Grant and Greg may have been there.

Yes?-- I only met them once previously at the December meeting. I didn't take much notice.

30

Perhaps if you - I thought if you looked at that it might-----?-- Yeah.

-----help to refresh your memory, that's all?-- I certainly discussed all of these things with Chris Morgan, yeah.

Okay. Do you recall being - see, it is possible that the meeting took place one after the other with those three?-- That's right.

40

Can you recall being at the meeting with, say, Mr Pforr when those matters that are listed there are discussed, or with Mr Betts?-- No, I don't remember us in a group at a meeting. I just-----

No?-- Yeah.

Okay. Just I thought you should see it as a matter of fairness. Perhaps that page should be tendered now so we know the record. That will be Exhibit 69.

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ADMITTED AND MARKED "EXHIBIT 68"

CHAIRMAN: Yes, thank you, Mr Boyle.

MR BOYLE: Could the witness see Exhibit 47 please.

MR WEBB: 68.

MR BOYLE: Thank you.

MR WEBB: Out of sync again.

CHAIRMAN: I have 68 as being the email of 22nd of December.

MR BOYLE: I think we agreed that's 67.

MR WEBB: 67.

MR BOYLE: I think it was nominated 68-----

CHAIRMAN: Thank you. Just as well I have the Bar Table keeping tabs on me.

MR BOYLE: Could the witness see Exhibit 47, please.

CHAIRMAN: Sorry, that's 47 now, is it?

MR BOYLE: Yes, Mr Chairman. Now, there's an email there, is it from Chris Morgan to Brian Rowe?-- Mmm-hmm.

And does that show about - talks about Division 6, Roxanne Scott has been deferring commitment on high profile media signage. Now on deadline. Needs 20,400 immediately."?-- Oh okay. Yep, that's right. The signage was the point of contention. What date was that? 12th of February.

12th of February?-- That was when I said I wouldn't authorise any more expenditure until I was certain that funds were going to come through. I thought it was later than that but, yeah.

Was that figure ever discussed with Chris Morgan?-- I had been asked to get some quotes for a large sign on Smith Street and that could have been cost of it. I can't remember. But I certainly wasn't going to authorise it until I knew someone else was going to pay for it.

But you knew it was going to be a lot of money?-- Yeah.

And so that fits in with your recollection of things, this email?-- I couldn't tell you how much it was at the time. I did get a quote. Whether that's the quote I got or whether that's another quote that he's got, I'm not sure.

Did you tell him that "We need a specific amount of money"?-- No. No, I was quite happy to work in with whatever budget I was - I had to work with. I was happy to work within it but Chris wanted to do more often.

There's another email there from Chris Morgan to Brian Ray and it says that, "I have Bob La Castra and Roxanne Scott in at 11.30 a.m." Do you see that?-- Yeah.

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So is that one of the meetings-----?-- Well, it would have been, yes.

-----that you and Mr La Castra went to meet with-----?-- Mmm-hmm

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-----Chris Morgan. Okay. And, again, you weren't aware that Chris Morgan was briefing Mr Ray on the progress of your campaign?-- No, I didn't know anything about Mr Ray until it was in The Bulletin a couple of days before the election.

Okay. Exhibit 22. Now, that particular one is an email from Chris Morgan to Brian Ray?-- Mmm-hmm.

It states that, "To date we have received cheques 8000 each from Roxanne and Greg campaign accounts"; do you see that?-- Yes.

20

And it says there, "Division 6" - further down - "Division 6 Roxanne campaign budget \$40,000"?-- Yes.

Were you aware of that figure?-- No.

As at the-----?-- I don't believe so.

That figure being talked about, about the 9th of March 2004?-- I didn't really talk budget with - with Chris Morgan to any great extent but I knew it was certainly running into that sort of money.

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You weren't aware that he was communicating that to Brian Ray?-- No, I wasn't.

Can I show you another email, you talked about a Lakelands meetings which Lionel Barden was hosting a session?-- Yes.

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Now, that's referred to down the bottom there. You gave evidence yesterday about keeping the distance between Councillors and donors, that's correct, and that's what you understood the position to be?-- Sorry?

Keeping it - well, through this trust to keep a distance between potential Councillors and the donors?-- Potential Councillors, yes.

See that email there, have you read through that?-- Yes.

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It's an email from Chris Morgan to you?-- Mmm.

Have you seen that email before?-- I believe I have, yes.

"Confirming our earlier discussion, Lionel Barden will host a one hour session for potential donors to meet the new candidates at invitation showcase" - and then it gives the -

where it is - "this Thursday between 4 p.m. and 5 p.m. There are still a number who have yet to contribute and it is essential that we get all cheques in before the weekend. The others have indicated they will attend and I hope you have room on your schedule." Did you respond to-----?-- Yes, I intended to go along but it was cancelled.

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So the purpose of the meeting was so that you could meet donors to try and get some money prior to the election that weekend; is that correct?-- That's right, because the money hadn't been forthcoming.

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How was it cancelled, how was that communicated to you?-- I think I was just about to get in my car to go when I was rung by Chris Morgan. He'd tried to ring me earlier but I had my mobile switched off because The Bulletin kept ringing me all the time.

What did he say as to the reason why it was cancelled?-- I don't know that I had a reason, I'm not sure.

20

He just said it was cancelled?-- Mmm.

Is that yes?-- Yes.

If you say "Mmm"-----?-- I don't remember a reason if there was a reason. I believe because people couldn't turn up because people couldn't make it but that's - I don't remember the read reason, no idea.

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But would you agree with me that this email appears inconsistent with the - with what had been said earlier so far as keeping a distance?-- I think I said yesterday that I didn't think it was particularly secret, this trust fund, we all knew we had to declare that we'd received money and we were all willing to do that. Initially we felt it was better - well, my understanding is that it was better to - us not to know the donors and then in Council if we were elected and we had to vote on something we wouldn't know the source of the funds but when the funds weren't forthcoming it was felt that it was probably better for the people giving - or promising the money to at least know who they're putting the money into because as I said I'd never met any of them, I didn't know any of them, I didn't even know who they were so it seemed reasonable to me that - to meet with them at that stage and I was still quite happy - as I said, had I been elected I - if I - if there was any conflict of interests I would have been quite happy to declare it in Council because there were no conditions attached to the funding so there was no obligation on me to favour anyone whether I knew their identity or not.

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You say you were happy to declare it. Do you mean you were happy to declare that you got money from a trust fund?-- No, I mean that should I have been elected to Council and at that stage I was aware that there was someone - something coming before Council where it could be construed that I have a conflict of interests I would declare that and abstain from discussions and voting in relation to that matter.

But you'd agree with me-----?-- Which I understood was the process that had to be followed.

To avoid that happening you said that there was that rule?-- A rule?

Well, it was discussed, the fact that you shouldn't meet the donors, shouldn't know who the donors were, that the money should go through a trust fund, this email is inconsistent with it?-- Well, we did agree that it would be preferable not to know who contributed the money. As then we wouldn't - you know, if we don't know who's contributed we don't - we can't possibly favour them in any way.

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How many times was that discussed, that issue?-- Only once at the meeting in December as far as I know.

In that email that refers "the others have indicated they will attend" - to your mind who's "others"?-- I read that as the other candidates.

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Other candidates that were at that meeting on the 16th of December?-- Mmm.

You keep saying "Mmm" but-----?-- Sorry. Yes, yes.

-----you've got to say "yes", "no" or whatever your answer is?-- All right. Yes, it was the other candidates who were at that-----

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I tender that email, Mr Chairman.

CHAIRMAN: This will be Exhibit 68.

MR NYST: It's similar to Exhibit 53.

WITNESS: I mean, it would have been better to keep it-----

CHAIRMAN: Yes, but I think it's addressed to a different person. Sorry, Ms Scott, you were saying something?-- No, I was just going to say that - I mean, had we found out all these donors we still didn't know the proportion of the funds by each donor. We didn't know-----

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MR WEBB: Consensus says it should be 69, Mr Chairman.

CHAIRMAN: Exhibit 69.

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ADMITTED AND MARKED "EXHIBIT 69 "

WITNESS: When you have the funding coming into a trust fund you wouldn't know if there's 20 donors, one might have contributed 2 per cent of the funds, one might have

contributed 40 per cent of the funds. So it seemed a very messy process to try and sort though all that if we knew who they were - or were - as in what funding actually we received as an individual. I wouldn't know whether I received Brian Ray's funds or whether I received someone else's funds who might be just you know anyone. So it was better not to know I thought the source of the funds. I mean, otherwise potentially if we had been all elected and in Council none of us might have been able to vote on anything if we'd declared a conflict of interests in relation to all of these different people.

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MR BOYLE: You knew in general terms that the donor base was from developers?-- No, I didn't know that. I thought it was the business community.

Well what you were talking about there, you say you don't know the precise amounts or percentages or anything like that, but you knew generally, didn't you, as to where the money would be coming from?-- I knew the money was coming from the business community.

20

What sort of business community did you think-----?-- I didn't delve into it. I didn't know.

No, but you must have thought something as to where it was-----?-- I thought it was through Chambers of Commerce. That was my understanding, but I don't know where I got that from either. Maybe because Brian Ray was involved - Brian Rowe was involved as well - the candidates - I don't know and I talked to Ian Solomon. I thought it was through Chambers of Commerce. I think Lionel might have even mentioned it at some stage that the Chambers were involved and I've met Lionel at the Chambers, so-----

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Did you consider that it might be from developers?-- No. I really didn't think about it.

It never crossed your mind?-- Well, I didn't think it was a problem if it was or not.

40

But you'd be aware that it was - from people who could potentially be putting matters through Councillors for Councillors' consideration-----?-- Mmm.

-----you knew that much?-- That's right and I would have been happy to declare any conflict of interest if there was deemed to be one.

Had you been aware of it, the donation?-- Had I been aware of the donors, yes.

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Right. Well, even if you don't know the specific donors-----?-- Mmm-hmm.

-----are you saying you don't - didn't even know that it was from the development industry?-- No.

Can I just show you this? You referred to a profit and loss statement yesterday; now is that your profit and loss statement that you prepared?-- Yes, it would be.

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And that relates to all the incomings and outgoings for your campaign account-----?-- Yes.

-----is that right?-- Yes.

Okay. I'll tender that document, Mr Chairman.

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CHAIRMAN: It's Exhibit 70.

ADMITTED AND MARKED "EXHIBIT 70"

MR BOYLE: I want to give you the opportunity to comment on a document, to see if you've ever seen it before. It's an account from Quadrant. Remember yesterday we've - I was asking questions about the Southport Citizens For Change-----?-- Yes.

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-----and you were aware that Quadrant was doing something with respect to it, as you understood, on instructions from Stewart Hill?-- Yes.

Is that correct?-- Yes.

Have you ever seen that account before?-- No.

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Just so we're clear, Stewart - that's addressed to the Southport Citizens For Change, care of Stewart Hill, 18 Egerton Street, Southport; that's correct?-- So it says. I can't imagine why, but yes.

And it lists out a number of jobs that were done?-- Mmm-hmm.

And Stewart Hill was your campaign - on your campaign committee, wasn't he?-- Yes, if you can describe it as a "committee", yes.

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All right. So what we know is - and Stewart Hill was someone who authorised your publishing of letterbox drops and things like that?-- He did earlier on and then I did change that later.

Now, I've got to put this to you that CMC's interviewed Mr Hill and he denies being involved with the organisation of Southport Citizens For Change; do you want to comment on that?-- No.

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Well, are you able to say whether he was or he wasn't?-- No.

Ms Scott, it's a point, isn't it, that Southport Citizens For Change were distributing material which would have been perceived as anti-the Councillor, the current sitting Councillor in your division; is that correct?-- It was, I

believe, reproduction of news items that had already been published previously.

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CHAIRMAN: But presumably not complimentary news items?-- No, but at that stage, I had been the target of a lengthy negative campaign that had no basis in truth whatsoever. For example, there was one lady who phoned me and she said that she was at a public meeting that Councillor Crichlow ran and the meeting was advised by Councillor Crichlow that it was illegal to vote for me, because I didn't live in the division and the lady phoned me to see if that was correct. Councillor Crichlow repeatedly in public at polls-----

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MR BOYLE: Can I just - what - what has that got to do with the Southport Citizens For Change?-- Because people were seeing how I was being treated and they felt that some of the negative material that had been published previously about the Councillor needed to come out, because it was looking increasingly like I was running - in Dawn's words - a very dirty campaign. She repeatedly in public, called out at the top of her voice, that I was running a dirty campaign, that the polls were showing that she had 90 per cent of the vote, when in fact there were no polls, that it was a Labor/Liberal conspiracy to get her out because both Peter Lawler supported me and Stephen Choburg from both sides of the politics. She said that my mobile signs on the election day had been repossessed and they wouldn't come back. She constantly made up information about me throughout the duration of the campaign.

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Well, no, this is - yes?-- And I think people saw that and they thought it needed to be countered in some way.

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I'm questioning you about what your knowledge is about a negative campaign against Dawn Crichlow?-- And I told you yesterday I didn't want to be involved with that part of the campaign.

So you had no involvement whatsoever?-- No, I was aware that it went on but I didn't want to be involved with it.

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You were aware of it but chose to disassociate yourself?-- Yes.

But it - well, can you comment on this as to what we know? One, is that according to documents or what you said yesterday was Stewart Hill authorised some material on behalf of the Southport Citizens for Change; two, he was on your campaign committee and three, he'd engaged or obviously Quadrant were engaged to do work, who are your marketing people; four, that account was paid out of the same fund which you were getting money from-----?-- Well, I think you need to talk-----

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Can you comment on that as being a big coincidence?-- I think you need to talk to Chris Morgan about it.

Yes, but, you see, it all, I suggests, points to some involvement on your part and knowing involvement?-- Because

I'd received funds from a source and someone else received funds from a source doesn't mean that I had anything to do with it.

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CHAIRMAN: I think the more interesting point is who was behind it? I know you say you didn't want to be involved so you say Chris Morgan was certainly involved. You indicated, well, Mr Hill's name is on some of that material that went out, you're aware of that?-- Mmm.

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But Mr Hill, when he's been interviewed and he can be called as a witness, has apparently said that he wasn't involved. Now in that case perhaps someone was putting his name on that material without - if what he says is true, then someone was perhaps putting his name on that material without his authority?-- Well-----

Are you able to assist us at all on that?-- I'd like to hear exactly what Mr Hill said, because I understand his response would've been in relation to funding that material. He certainly didn't contribute any money towards it.

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All right?-- And I think his response would most likely be in relation to money more so than-----

Okay?-- -----whether he authorised it or not.

All right, well, what I'd like you to do is to tell us everything that you know, if you know anything at all, about Mr Hill's involvement in those advertisements that went out that you've described before; the ones that had the media clippings about Dawn Crichlow?-- Chris Morgan suggested we needed to get some of that material out because of the barrage that had come against me, and I said I didn't particularly like negative campaigning, I thought it would adversely affect me and I didn't want anything to do with it. I knew Stewart Hill had been very involved. Stewart Hill was very vocal about a lot of the negative things that were going to be put out in this material. Chris Morgan knew that I knew Stewart Hill, he knew that my campaign headquarters was at Stewart's house, and I believe they had a meeting and organised it-----

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Now-----?-- So from there I didn't know what happened with it.

Okay. Now the next thing out of that is you say you believed they had a meeting and organised it. How do you say you believed that? What caused you to believe that?-- Well, then the material came out, I could see it.

Okay. Is there anything more than the fact that the material came out and therefore you assume they must have had a meeting or were you aware from what one or the other said that they had a meeting?-- Stewart was around quite a lot. He would call me so he may have called me and told me what was happening, I'm not sure.

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Mmm?-- I - I think it was mainly just from seeing the material.

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Okay. Is there anything else that you can think of to assist in that regard as to who was involved in that campaign?-- Oh, I think primarily Chris Morgan was behind it. If someone - I mean, Chris was obviously having discussions with other people that I didn't know about so someone might have asked Chris to do it, I don't know.

I note in the second page attached to the material that's been handed to you is an invoice from Quadrant addressed - well, the client has been Southport Citizens for Change-----?-- Mmm.

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And it show that it's a DL letter box drop, single sided on colour by two times 10,000 each run, so-----?-- Mmm.

-----presumably there were 10,000 items to be delivered into people's letter boxes. Do you know who were the people who did that letter box drop?-- It would've been a commercial organisation; I don't know who did it.

20

Is that the way it was done for your campaign, if you had any letter box drops?-- Yes.

That's the way - you put it out on a contract to a commercial organisation?-- Well, Chris Morgan did, yes.

I see, all right?-- But it says on the front page Hickey Lawyers paid for it.

Yes, Hickey Lawyers paid for it?-- Yes.

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There were five by hat stickers adhered to hats supplied, we can see on the last item. Do you know who was wearing the hats with the hat stickers supplied?-- They were hats during election day. They were used by the girls on my campaign on election day.

And what was on those?-- They weren't negative though.

They weren't?-- No.

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Okay?-- That was just I think my name.

All right, well, has that exhausted your knowledge of everything about this Southport Citizens for Change?-- Yes.

Do you - I asked you yesterday, I think, about that and you said - from memory I think you told me that it was an organisation started up just at the time of the election?-- Mmm.

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Do you know who the members of it were?-- I don't know anything about it; Chris Morgan again, I think, might've been behind it. I don't know anything further than that.

It sounds a little bit as if there was no such organisation, it was just a name plucked out of the air as-----?-- Could well have been, yes.

-----something to put on a letter box drop that you're doing?-- Mmm.

Yes?-- Mind you, I feel that anything that was put out by Chris was just - paled into insignificance compared to all the lies that were put out about myself. None of the material Chris put out was a lie, it had all been previously published, whereas things being said about me were just total fabrication.

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All right.

MR BOYLE: So you were quite angry at things being said about you but you didn't in any way attempt through this organisation to strike back?-- There were probably hundreds of people at pre-poll who saw how contained I was when Councillor Crichlow would stand there and yell out as if it was a public forum, running me into the ground, and I didn't respond with anger on one occasion, so if I was angry, it wasn't as overtly as what I was receiving.

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Your evidence is that you had every motive in terms of putting out such material but you did?-- Correct.

Well, can you just clear up, that last account, does that mean these items which had your name on them were charged to the Southport Citizens for Change?-- It's Chris Morgan's invoice. I believe you should ask him. I haven't seen it before. I don't know.

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But did you have five hat stickers to hats?-- Yes, I said there were five hat things put on hats with just my name on it. It wasn't anything negative.

No, but what I'm interested in is that it seems, then, that something that was purely for your campaign was charged also to the Southport Citizens for Change?-- Again, you'd have to ask Chris Morgan why he did that. I don't know.

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Well, you didn't see any hats with Southport Citizens for Change on it?-- No, no.

CHAIRMAN: Were you tendering those documents?

MR BOYLE: Yes, I'll tender those.

CHAIRMAN: They will be Exhibit 71.

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ADMITTED AND MARKED "EXHIBIT 71"

MR BOYLE: Had you been to Stewart Hill's place?-- Yes.

Did you know his house is owned by Tony Hickey?-- I thought it quite amusing when I found that out after the election.

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It's just a coincidence?-- Yes.

You certainly didn't get any information back through Stewart Hill about who the possible donors were?-- No.

CHAIRMAN: You mentioned 18 Egerton Street but is there some relevance in that address? If there is, it's escaped me.

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MR BOYLE: No, that's Mr Hill's address, yes.

CHAIRMAN: Well, we weren't told that. Is that Mr Hill's home address?-- Yeah, correct.

MR BOYLE: Yes, sorry. In your statement that's what you put-----?-- Mmm-hmm.

-----that Mr Hill lives at that address. All right. I might take you to a couple of media articles, and I'd like you to comment on the things that - certain quotes - things that have been attributed to you as having said. And the first one if I can take you to is number 18, Exhibit 3. Now, can I give you - before looking at that one - just go into a bit of background. There was a couple of other media articles and I don't want to take up time showing them individually to you but on the 20th of February there was an article saying that, "The Gold Coast Planning boss, David Power, is believed to have spent nine months engineering a political team that will see him become Deputy Mayor." And then it's recorded, "Another ticket member is Roxanne Scott who will run against Dawn Crichlow in Division 6." So that was on the 20th of February. Then on the 23rd of February there was another article referring to Councillor Power's political team. It says, "Roxanne Scott who will run against popular Southport Councillor Dawn Crichlow in Division 6 is also believed to be on the ticket." And then we come to this article on the - sorry - it's number 20. It's an article on the 26th of February. If you could just read the first - I'll read some of the lines, the first part of it, "City Council election candidates alleged linked to the so-called David Power ticket have rejected claims they are part of a voting bloc. Runaway Bay candidate Grant Pforr said he is an independent funding" - "was an independent funding his own campaign. Southport candidate Roxanne Scott said she was unaware of such a ticket." And then they quote you, "'If they want to give me some money, they better hurry up', she said". Now, are you able to say did you say those words?-- I think that was - was in fact after I had received the first payment, possibly-----

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CHAIRMAN: The question was: did you say those words. Firstly if you'd answer that?-- I think I said I wish they would hurry up and give me some money, is what I remember saying. But I could be wrong. Maybe I did say those words.

MR BOYLE: There's a big difference, isn't there?-- There is.

CHAIRMAN: I don't know, "They'd better hurry up". It's not that much different from what Ms Scott has just said.

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MR BOYLE: It's in the context of denying that there was a ticket and that there was joint funding, or that seems to be the context of this, that there was a ticket and there was-----

CHAIRMAN: "They'd better hurry up" or "I wish they'd hurry up", I don't see much difference.

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MR BOYLE: "If they want to give me money, they'd better hurry up."

CHAIRMAN: Yes. Well, you're not denying "If they want to give me money", are you?-- No.

No.

MR BOYLE: But at that stage - well, it says there you said that you were unaware of such a ticket?-- Because it wasn't a ticket.

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What - when you said that there wasn't a ticket, what did you understand that to mean?-- Like a political party that were together with some sort of common philosophy.

Right. So you took that - a narrow view of what a ticket is?-- If you think that's a narrow view, I guess it is.

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You didn't say, "Oh, yes, we did have this meeting and David Power spoke at the meeting-----?-- I didn't feel under any obligation to tell The Bulletin anything. Alice Jones had been extremely aggressive towards me on a number of occasions so I didn't feel I had to elaborate on anything she didn't ask me.

But you were aware that anything you would have said to a journalist at that point would have been published to thousands of people on the Gold Coast?-- It was said half flippantly I was so frustrated at that time that I had been running up all these accounts with Quadrant that I felt that I was going to be responsible for in the end because the money wasn't going to come through and I was just feeling - I had received \$7,000. I had run up accounts that I knew were well over 20 or \$25,000 and I was just quite frustrated and it was really - I didn't think she would publish it because it was said so flippantly, "I wish they'd give me some money."

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CHAIRMAN: Just before you go on, I perhaps owe you an apology in that I should have warned you a little while ago, so I'll give you the opportunity out of fairness to retrospectively, if you want to, claim privilege. There is a provision in the Local Government Act about making misleading statements that could affect - about the conduct of the candidate which could affect a person's voting. Now, if you are asked any questions which would include these ones that you have just been asked you have the opportunity to claim privilege in the same way

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that I explained yesterday?-- Thank you. I will claim privilege and I guess The Bulletin will report that again that I - guilty in some way. However, I don't believe I told Alice Jones that I hadn't received any money to date. I don't believe I used those words. So I don't know that I was misleading in saying I wish they would give me some money.

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But if you do say words "if they want to give me some money they'd better hurry up" or "I wish they'd hurry up", some words to that effect, it does tend to suggest to a person hearing it or subsequently reading it, it does tend to suggest that you haven't yet received-----?-- Yes.

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-----any money whereas in fact you acknowledge, as at the time when you were talking to her, you had received your, at least your first payment?-- Mmm. And I acknowledge it was a stupid comment.

Yes.

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MR NYST: Sir, if this witness is to be asked about the - she was questioned earlier about her comment that she was unaware of such a ticket, then it seems to me out of fairness there should be some definition of what's meant by those words "such a ticket". We don't have the journalist's words that were put to-----

CHAIRMAN: Mr Nyst, I am sorry-----

MR NYST: ----- - given the answer.

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CHAIRMAN: -----I don't think I can ask the counsel assisting to define what is meant by a ticket. This witness has indicated what she understood by the ticket in the context in which she answered it. It is difficult, I appreciate that, that ticket is such a nebulous term and I do note that out of fairness to the author of this article the word "ticket" was put in quotes in the very first line to indicate that it's perhaps not a formal ticket, whatever that means.

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MR NYST: But it's also linked to - it's called a so-called David Power ticket as part of a voting block and the problem about my learned friend cross-examining on a quote that she was unaware of such a ticket is that we don't know exactly what was being put. In other words, if the journalist was saying - my friend might have instructions on this, but if so we haven't heard them as yet. But if the journalist was saying, "Look, are you part of a ticket that involves a voting block? Are you part of a developer-funded, developer-backed ticket"-----

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CHAIRMAN: Mr Nyst, I don't think it's any point in putting to this witness what was in the journalist's mind because this witness wouldn't know that.

MR NYST: No, but-----

CHAIRMAN: All this witness can be asked about is what she said in response to the question about a ticket and the more relevant part is not what was in the journalist's mind but what was in this witness's mind and this witness's answered this.

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MR NYST: But the relevant issue is there's no point in us knowing what the answer is if we don't know what the question was.

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CHAIRMAN: No, no. Well, I disagree.

MR NYST: And that's our problem.

CHAIRMAN: I disagree. It's relevant to know the answer, what the answer was viz-a-viz what was in the mind of the witness at the time she gave that answer, and that's the way it's been answered.

MR NYST: Can I just-----

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CHAIRMAN: She didn't - wouldn't have known what was in the journalist's mind, therefore she couldn't answer to that.

MR NYST: I don't want to labour the point, but if it was the journalist simply saying, "Look, I've heard that you're part of a ticket in the sense that you met with David Power and agreed that you run sensible"-----

CHAIRMAN: Mr Nyst, I am sorry, I don't want to take it any further without - at least this witness would have to go outside and I don't want to do that because the effect of all this is really to just put extra things in, even subconsciously in this witness's mind which is unfair to her. Now, she's answered the question on the basis of what she understood "ticket" to be and I think that's the most relevant way to view her answers.

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MR NYST: I won't take it further at this stage unless I think there's some other thing-----

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MR WEBB: I am instructed to simply put on the record that there may be two views as to what "misleading" may or may not mean. I don't want to go beyond that at this stage-----

CHAIRMAN: By which solicitor are you instructed this time, Mr Webb?

MR WEBB: Nice point; that's one to you this morning, Mr Chairman. I am instructed to raise it by my formal instructing solicitor. I'm not raising it on behalf of my absent colleague, Mr Fynes-Clinton, the elder.

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CHAIRMAN: Your formal point is noted.

WITNESS: Might I just say that Councillor Crichlow's comments that the polls kept showing 90 per cent of the vote was in favour of her, to me that is far more misleading than anything

I said; that her - her view or her very vocal loud comments that I was running a dirty campaign, that it was illegal to vote for me, these things were far more misleading-----

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MR BOYLE: This isn't a forum - witness, this isn't a forum - my specific question relates to whether the statement you made was misleading or whether you lied on that particular occasion?-- I don't believe I lied.

Saying it was - well, if someone - what do you say to the proposition that you were part of a group of candidates formed to promote the election for the Local Government?-- We were a group-----

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CHAIRMAN: Again, I have to warn you-----?-- Sorry.

I have to warn you again that there is a formal thing about a group of candidates and that if you were part of a group of the candidates you were required to put extra details in your election gifts return, therefore you can claim privilege with respect to answering any questions about that topic if you desire?-- Thank you. I will claim privilege. But we were a group only in the sense of a group of people might get on a bus in the city and go to Toowong. We were on the same journey. There was no other connection in any way.

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That's as you saw it?-- That's how I saw it, yes.

Yes, all right.

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MR WEBB: Mr Chairman, I'm in a little difficulty. In the document that's been handed along the Bar, what's being put to this witness doesn't appear. It's a Press Release dated 23rd of February 2004. Yes, that's the last document that was handed along the Bar.

MR BOYLE: Sorry, that's not the right one.

CHAIRMAN: The witness was being questioned about item number 20 in Exhibit 3, which is not a Press Release but is an extract of an item in The Gold Coast Bulletin of the 26th of February.

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MR WEBB: I'm sorry, when I said a Press Release I meant a report of the Press.

CHAIRMAN: Yes, but it's the 26th of February, item number-----

MR WEBB: Well, that's not the one that-----

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MR NYST: We were handed one - we were handed number 18 but my friend has switched back-----

WITNESS: Yes, I wasn't-----

MR NYST: -----to number 20-----

WITNESS: ----- - I didn't have the right one either.

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CHAIRMAN: That might be so, but Mr Boyle - you must have missed it. Mr Boyle said number 20 in the Exhibit 3, the 26th.

MR WEBB: Thank you, Mr Chairman. It explains my confusion.

CHAIRMAN: Yes, Mr Boyle?

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MR BOYLE: Well, it's a bit more than just saying that you were people all on the same bus, isn't it? You have a group that meets where there's a common source of funding and you're all trying with a view - with a marketing strategy through Quadrant - to get the various representatives under an united commonsense banner and - can you comment on that, that you a group in that sense?-- All the material that was written in this brochure and other media releases and everything else was my material, it wasn't - wasn't written by anyone other than myself. I don't see that I was part of a group at all. commonsense is a word that was bandied about but I couldn't agree more, I felt that we did need commonsense in Council. It wasn't a technical term I didn't think.

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MR NYST: Sir, once again I'd object to the question. It's put that they were there under an united commonsense banner. Now, I've seen no united commonsense banner in any of the material that's been put and I don't understand that there's any evidence at all in - either in what's been put before this Inquiry already or in the material that's been provided to us.

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CHAIRMAN: Mr Nyst, the question has been answered by the witness denying it so I think we can leave it at that.

MR NYST: But I'd ask my learned friend to be careful about that sort of statement.

CHAIRMAN: All right. I think Mr Boyle's finished with that topic now so we'll move on.

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MR NYST: But it can mislead other witnesses on the stand.

MR BOYLE: Mr Chairman, with Exhibit 14-----

CHAIRMAN: Mr Boyle, I don't - you don't need to argue the point.

MR BOYLE: Thank you. If we look at the reality you were getting financial support?-- Yes.

50

You were getting marketing support?-- Marketing support in terms of the way material was presented, yes.

You were getting advisory support?-- Yes.

And it was with a view that all these candidates that were part of this group get elected, wasn't it?-- Yes.

And so you when approached about a ticket and referring to David Power you said that there was a meeting with David Power on the 16th of December where he did a lot of the talking and you're questioned about a ticket and you were to say you were unaware of it; do you think that's deceptive?-- No, I don't because as I said I was actively helping two other candidates that weren't even involved in that group. I'd also turned up to meetings and Mayor Ron Clarke was there too, at Robina there was a meeting of a group of - I think they were called Concerned Rate Payers - who eventually did form some sort of ticket so I was involved with a number of other candidates not particularly the ones that were at that meeting.

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So were you being a little bit subtle in answering the question about being unaware of a ticket?

CHAIRMAN: Mr Boyle, the witness has answered it. You've carried out your duty by putting the point to her. I think you can move on.

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MR BOYLE: One further question, Mr Chairman, just about - at that stage you'd received - on the 3rd of February according to your return you received \$7,000 and on the 24th of February you received another \$3,000; that's correct?-- Yes.

And this article was on the 26th?-- The article was on the 26th but I believe I made the comment after the first payment but before the second payment.

So after the \$7,000 payment?-- Yes.

30

And after Quadrant you were aware was doing a lot of work on your behalf which-----?-- Yes.

-----you hadn't paid for?-- Yes. But which I thought I may have to pay for because it was becoming increasingly uncertain whether I was going to receive the funding to the extent that I'd been promised.

Can you go to the - another media article which is number 52 which is on the 14th of April 2004, an article by Marilyn McKenzie.

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CHAIRMAN: Which number is this?

MR BOYLE: Number 52, Mr Chairman. A little above halfway down the page it quotes you having said this, "I went to Bob La Castra and he sought some funds for me and late on more funds became available. I was never asked at any time whether I was pro-development, whether I was green, whether I was anything else." Can you recall saying that?-- No, not specifically but I'm sure I did.

50

So you said, "I went to Bob La Castra and he sought some funds for me." What did you mean by that statement?-- Well, as I said earlier, Bob La Castra told me to talk to Chris Morgan and obviously Bob somehow came aware - aware through Councillor Power or whoever that there was some funds

available and he - he thought that I might be a worthwhile candidate to be involved to be a recipient of the funds.

1

So in using the words "he sought some funds for me" - what do you mean, that he simply referred you on?-- Yes.

That's what you meant by-----?-- That he'd heard that there was funds available.

But he never went out and sought funds as part of-----?-- No.

10

-----that process of getting money for you?-- No. I - yes, all right. I claim privilege again because I must have said something that could be construed another way.

So he - so far as funds were concerned the only step in the process he undertook was to refer you on to Mr Morgan?-- Mmm.

Is that your evidence?-- That's my memory of it, yes.

20

He didn't play any other role in getting funds for you?-- No.

You say you were asked, "I was never asked at any time whether I was pro-development, whether I was green, whether I was anything else." Is that true?-- Yes.

So at this-----

CHAIRMAN: What do you mean, is that true, is that what was said or if it was said is it true?

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MR BOYLE: Sorry, you remember saying that?-- Yes.

Now, was that - was that true so far as the group was concerned that you'd never been asked those issues - about those issues?-- As I said I didn't believe we were a group as such and no-one at the meeting asked me - no-one involved in this whole process ever asked me that.

You mean to say throughout this entire campaign no one from the group discussed your philosophies on any issue, council issue?-- No, not - do you mean development is what you're referring to, isn't it?

40

Well, any sorts of issues?-- Any sorts of issues. My goodness, I'll have to think about that. Water was an issue. There were so many issues that came up. I don't remember talking to any of those other candidates about it. I didn't talk to any of them about it. It might have come up in the meeting in December that some of those issues were of concern.

50

But did you put forward your thoughts on those issues?-- Not particularly, no. I was concerned about water, one of the key-----

Well, was anything said at that first meeting that caused you concern so far as anyone else in that group?-- No.

And their views on issues?-- No.

1

Well, what we know is that you were circulated a document at that meeting that talks about consensus on solutions and consensus among a select group of councillors?-- I commented on that yesterday, yes.

So there's - and you say that there was no discussion of issues as such?-- No, and as I pointed out yesterday the last dot point there was any other issue not listed, so it was so broad and vague that it really didn't have a lot of meaning to me.

10

Well, we won't go back through that document?-- Good.

But - okay. Can you just go a little bit further down the page then on this - in this media article: "Mrs Scott also denied any knowledge of who had contributed to the solicitors' trust accounts." And it quotes you, "'I just received a cheque from a solicitor, Tony Hickey (Hickey Lawyers) and another from solicitor Mal Chalmers,' she said." Did you say that?-- Where it says I denied any knowledge of who contributed to the solicitor's trust account I was referring to the Tony Hickey trust account because at that stage I didn't know that there was any issue relating to the other Mal Chalmers account, so I believed the journalist was asking me about the Tony Hickey trust and I said I didn't have any knowledge of who contributed to that trust account.

20

So that second quote - sorry, that quote that I read to you, the words you used is not correct?-- The quote, I just - I received a cheque from Tony Hickey and another from Mal Chalmers. That would most likely be what I said, but it wouldn't have been immediately after what was written in the previous line.

30

CHAIRMAN: The previous line does refer to solicitors' trust accounts, which tends to suggest that it's referable to both lots of solicitors?-- Well, I certainly didn't say solicitors' trust accounts. I was referring only to the Hickey Lawyers trust account when I made that comment.

40

Okay. The next quote, "It was set up that way," down to "dysfunctional." Did you say that?-- It's set up - Yes.

Yes, thanks. Yes, Mr Boyle?

MR BOYLE: What were you referring to there, which of the accounts?-- The Tony Hickey-----

50

Or both of the accounts?-- The Tony Hickey one.

Okay. Can you comment on the next quote, "Mrs Scott admitted her decision to run was part of a mid-life crisis"?

CHAIRMAN: Oh, is that really necessary? You know, that's - we don't - it's really no quite referable to the terms of reference here, I wouldn't have thought.

MR BOYLE: But she's - but the next part that she had not been willing to risk her own funds on an ego trip.

1

CHAIRMAN: All right. Well, confine it to that.

WITNESS: I don't remember saying risking my own funds. I'm not sure what that's referring to there or when I said it or where that came from.

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MR BOYLE: All right. I'm finished with the media articles, Mr Chairman.

CHAIRMAN: There's just one, while you've got them there in front of you that has already been mentioned somewhat. It might have - it might have been mentioned earlier. Have you already mentioned the one about the Chalmers trust account in August of this year?

MR BOYLE: Yes.

20

CHAIRMAN: Yes, okay. I'm sorry, that's been mentioned.

MR BOYLE: You did-----

CHAIRMAN: I knew there was another one in here.

MR BOYLE: I didn't show it to the witness but that was-----

CHAIRMAN: Yes.

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MR BOYLE: -----preliminary to that letter being tendered.

CHAIRMAN: Okay. No, I'm sorry, I think it has been dealt with. Sorry, Mr Boyle. Continue. Do you - can I ask if people prefer to have a mid-morning break?

MR WEBB: Yes.

CHAIRMAN: Yes.

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MR WEBB: Speaking for these people.

CHAIRMAN: In due deference to Mr Webb and his age we will have a mid-morning break for 10 minutes.

THE HEARING ADJOURNED AT 11.34 A.M.

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THE HEARING RESUMED AT 11.47 A.M.

ROXANNE SCOTT, CONTINUING:

MR BOYLE: Witness, could you have a look at an e-mail that's dated the 9th of January 2004. It's an e-mail from you to Chris Morgan. Have you read that?-- Yes.

You remember sending that e-mail to Chris Morgan?-- Yes.

That would seem to suggest that there was a meeting the previous day? Sorry, I'll just ask you, "As David suggested yesterday it needs to include certain words"?-- Oh, okay, yes.

10

Who's David?-- It would be David Power.

So remember we were asking about a meeting on the 8th of January. Was there a meeting that you went to?-- As I said I don't remember a large board room meeting with everyone there but I was certainly talking to Chris Morgan. David may have been there, I can't remember. Obviously he was.

20

Does that jog your memory at all?-- Well, I said those words so yes.

But that - well, can you now - do you now have a recollection of the meeting?-- It's probably - yeah, informal, just standing around chatting, if you call that a meeting.

CHAIRMAN: It tends to suggest that Mr Power was having quite an input into the - assisting you in your campaign as well as Mr Morgan?-- Well, he suggested that I put the word in, "Please call if you can offer assistance in any way." I wouldn't call that a significant input to my campaign. It was a redesigned leaflet it's talking about there which is this leaflet which was my text and they designed a format for it, and they suggested 15 or so words to add on the bottom which is simply, "Please call if you can offer assistance in any way." It wasn't really a major rewrite of what I'd given - given them.

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All right. Are you tendering that?

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MR BOYLE: Yes, thank you.

CHAIRMAN: That will be Exhibit 72.

ADMITTED AND MARKED "EXHIBIT 72"

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MR BOYLE: So you say you can now remember standing around and having a chat?-- I didn't say yesterday that I wasn't at a meeting with Chris Morgan. I had meetings with Chris Morgan and there may have been other people there at the time. My primary concern was what I was talking to Chris Morgan about in getting my material developed. If there were other people there they may have come and gone or talked to me. I can't

specifically remember that because my concern was with Chris Morgan and his staff and what was being done for me.

1

Just so we're clear, you hadn't discussed your philosophy relating to developments on the Gold Coast?-- No.

With any members of this group?-- No.

So far as the fund raising and what's disclosed in your election return, you've got a total of \$38,523.38, of which Peter Lawler donated \$4,849; have you got that there?-- Yes.

10

And we know that you also sought the \$5,000 that related to Mal Chalmers. That means, in effect, coming from this fund was-----

MR WEBB: Mr Chairman, I hesitate to interrupt, but matters should be put accurately. Peter Lawler didn't donate that amount. He provided letters of 33 cents. It's just that this seems to be the in-kind thing that we're talking about. I just wanted to-----

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CHAIRMAN: He paid for the postage up to that amount.

MR WEBB: Yes, well, it's-----

CHAIRMAN: All right. If you think it shouldn't be called "donated the postage".

MR WEBB: Oh, donated the postage" would be fine, but that wasn't what-----

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CHAIRMAN: But postage and-----

MR WEBB: -----was put. It was put that he was giving an amount of money and that wasn't correct.

CHAIRMAN: All right. I think we all understand that it was donated, the cost of the postage, in the amount of \$4,000 whatever it is dollars.

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MR WEBB: That's fine.

MR BOYLE: Yes. The - your return states the gift as postage and printing; that's right, for that amount?-- Yes.

Okay. And then we know that there was the \$5,000-----

CHAIRMAN: I'm sorry to be short with you, Mr Boyle, but I'm getting concerned about time. Look, if you're wanting to just make the point that "x" percentage of it was from developers and "x" percentage was from someone else, just - can you do that quickly to the witness and - it's a simple point. The document speaks for itself.

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MR BOYLE: \$28,600 came from Tony Hickey; that's right?-- Yes.

What my suggestion to you is that that is a lot of money to outlay on someone who you don't know what their political philosophy is, so far as development applications?-- Mmm-hmm.

1

Would you agree with that?-- No.

All right. You see, you - you could in effect be someone that would be a thorn in the side to the rest of the group, if what you said before is true, that you. You see, another view of it-----

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CHAIRMAN: Mr Boyle, you're putting to the witness that she did in fact answer questions about what her political philosophy was, because she's told us that she didn't, is there any point in keeping asking her these questions when she said she didn't, unless you have some specific indication from somewhere else that she did?

MR BOYLE: Well, sorry, Mr Chairman. One - another view might be that they knew that she would support the group, in voting in Council.

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CHAIRMAN: Well, exactly, but she can't know that. They might have known from the fact that she was a member, as she's told us, of the Liberal party. They might have questioned other people who knew her. There's all sorts of ways they could have found out what Ms Scott's understood philosophy was on these matters without asking her herself?-- Can I just say, even in the Liberal party, development isn't something I've ever discussed with anyone.

30

Look, can the witness see Exhibit 18, please?-- The funding was given because of my opponent, not because of myself, was my understanding.

If I can see it firstly, thanks. I don't have a copy of this. Can I ask - Ms McDonald - have you got a copy of Exhibit 18, so the witness can have it and I have it as well?-- I believe the funding was given because they felt anyone would be better than the current Councillor. That's my personal opinion.

40

MR BOYLE: Is that an email of the 24th of November?

CHAIRMAN: Yes.

MR WEBB: Yes, it is.

CHAIRMAN: Yes. Well, that's what you told us yesterday, that you were the only candidate standing against Councillor Crichlow and you said that your own view was that "you were probably chosen into this group", by default, because-----?-- Yes.

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-----you were the only one standing against Councillor Crichlow?-- That's right.

If you have a look at that document and you go to the second page of it firstly, thanks?-- Mmm-hmm.

1

You'll see it's got "candidates"-----?-- Yes.

-----and there's a list of 14 candidates and there's a rating and a percentage and you are there at 50 per cent?-- Yes. Were you ever advised by anyone that you had been rated in any way?-- No.

10

All right. And if you go to the first page, you see there's a note of 17 December 2003 and there will be evidence of a meeting on that day and there is the note made supporting eight Councillors, which will give majority vote; do you see that?-- Yes.

Now, were you ever - was it ever told to you at an of these - at this meeting or any other meeting that you had with Mr Power, Mr Morgan, that you were part of a group of eight Councillors which would be supported and which would give a majority vote, presumably on the Council?-- No.

20

It can tend to suggest that if you were one of those Councillors you were being used as part of that way to give what would be - amount to a majority if all eight voted the same way on the Council?-- I'm not sure which eight Councillors that's referring to.

No. Well, if you were part of that, that's what it tends to suggest-----?-- Mmm-hmm. Well, I knew nothing about it.

30

Well, that's what I'm asking; were you ever aware of the fact that you were part of a chosen group of eight people, which if they all voted together, would give a majority vote on the Council?-- No, my understanding was that I was involved because they wanted a better quality of decision making and more rational argument in Council.

All right. If that was someone else's view, you're saying you had no knowledge of it-----?-- No.

40

-----and if you were being used that way, it was without your specific knowledge that that was what was in the mind of some people?-- Well, that's correct and the fact that I'm rated 50 per cent, which is the lowest percentile there, indicates that they probably didn't know me terribly well.

Yes. Well, as you say, you were the only candidate. Yes. All right?-- Had they known me, I'm sure they would have rated me much higher than that.

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Thank you. You can hand that exhibit back.

MR WEBB: That's one for the witness.

MR BOYLE: Well, just before that's handed back, just on the second page list of potential donors, it's got down there, item 25, Norm Rix. Were you aware that he was a potential

donor to the group - on the list he was a potential-----?-- No.

1

No?-- No.

Well, was there anything said by you to say that you would vote a certain way on a particular issue from other people?-- I've already said "No" to that.

On the amount of material that you produced, you refer to being independent?-- Yes.

10

What did you mean to convey by using that expression on your electoral material?-- That I wasn't running for a particular political party was my primary concern there, or any other similar organisation to a political party.

Was anyone running for a political party at that election?-- Not that I was aware of, no.

20

Well, why was that such a big statement, selling point, from your point of view?-- Well, Dawn labelled me as a Liberal party candidate quite early on in the piece, so I - I wasn't running as a Liberal party candidate, so I wanted to distance myself from that.

So that's why you used that word?-- Yes.

To say that you weren't a Liberal Party candidate?-- To say that I was independent, yes.

30

You didn't mean to represent that you were independent as in not forming part of a group with a common source of base funding?-- No.

Now the Chairperson referred you to a possible section of the Local Government Act that relates to group of candidates and making a declaration. Did you see that you had any obligation to-----?-- No.

40

-----report the fact that you were part of a group, who it was, the name of the group and all those details?-- No.

Excuse me, Mr Chairman. I don't have any further questions, thank you.

CHAIRMAN: Yes, thank you.

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MR NYST: Ms Scott, you said that you first decided to run after it was suggested to you at a Liberal Party function. Did you say when that was?-- I don't know that I have the exact date.

It was certainly some-----?-- It was in-----

-----very early in the piece?-- Around July. Mmm.

Pardon?-- It was around July.

Around July 2003?-- Mmm. Pardon me.

And was that what ultimately kicked you over the line? That's what-----?-- Well, I hadn't considered it till that point, that just got me thinking about it.

All right, but certainly whoever - you weren't able to say who it was at that meeting but it certainly wasn't David Power?-- No. 10

He wasn't there, was he?-- Wasn't-----

Nor-----?-- And none of the councillors were there.

Right, nor anybody on his behalf?-- No.

Or-----?-- No. 20

There was no suggestion of any recruiting from David Power at any stage-----?-- No.

-----in your process of coming to this decision to announce your candidacy?-- Not at all, no.

And did you ever meet him or speak to him before you announced your candidacy?-- I had through my work. I'd met most of the councillors from Southport south to Coolangatta through my work. That's an area that I'd manage for employment programs----- 30

Yes?-- -----and I had talked to most of the councillors in regard to the - those programs.

You have been working on that - in the Gold Coast area for a long time in that role, haven't you?-- Mmm. Since 1998.

Right, and you have a very broad network of community contacts?-- Absolutely, yes. 40

You deal with an awful lot of people within the community and you have done for a number of years?-- That's right, I think it's something like 140 organisations I've worked with over the years and-----

Yes, and on the Gold Coast a lot of people know you. They know you, deal with you through your work?-- Yes. 50

And they know of your reputation and so forth?-- Yes.

And your reputation is one of being a very capable person, isn't it?-- Thank you.

Well, I don't want you to be too humble about this, that's the fact of it, isn't it?-- Well, I like to project myself as a professional person.

Right. You talked about after you'd made the decision to move to announce your candidacy you went to the Robina Chamber of Commerce, you said-----?-- Yes.

To have a meeting there, and at that meeting there was a lot of talk, wasn't there, about how unprofessional some of the people in Council were?-- Yes, the primary - not as a general meeting but certainly in my discussions with Lionel Barden and Councillor Grew-----

Yes?-- -----we talked about that.

I'm not talking about it as an item on the agenda?-- Mmm.

I'm talking about as a matter-----?-- Yes.

-----of general conversation by the people at that meeting?-- Well, that's right, I mean, yes. I mean, when Councillor Crichlow was re-elected unopposed the previous election, I think right back then I had thought why had no-one stood against her because I felt she was an unprofessional councillor.

But this talk about the unprofessional behaviour of some people in the Council wasn't confined to the Chamber of Commerce meeting, was it?-- No.

As you moved through the community-----?-- Yes.

-----at these various community functions, be they business or Chamber of Commerce functions or whatever, it was a common theme, wasn't it, that a lot of people were expressing dissatisfaction with the behaviour of some of the councillors in Council?-- That's right and that's why people like Stewart Hill came to me to offer support and help.

There was a feeling at least by some or a broad section of the community that the bickering and grandstanding and so forth in Council had got out of control?-- Absolutely, it was just considered quite a laughing stock for a city such as Gold Coast to have councillors behaving in such a way. People were telling me during door-knocking and that that they felt it was just a really bad reflection on our image.

And when you told people that you were intending to run, I take it you were met very broadly with congratulations and a sense that that was a very good thing, that a professional, capable person such as yourself was going to throw your hat in the ring?-- To some extent. Some people were very strong supporters of Dawn and they would obviously have a different opinion.

Okay. Councillor La Castra, you'd had dealings with him in particular, hadn't you?-- Yes, yes.

I mean in your work?-- In work, that's right, he'd had - we'd had a joint project, Silver Bridle area which was partly funded by Council and the Department that I worked for.

1

And he'd worked with you enough to make some sort of an assessment of you as a person and-----?-- I would say so, yes.

And as a capable person who was able to address business and other issues in a sensible rational fashion?-- Hopefully, I guess you-----

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Is that fair?-- Yes.

And I take it you didn't always agree with Councillor La Castra about every issue but you were able to work with him?-- Well, that's right.

Is that fair?-- Yes, I - yes, definitely. Mmm.

And would that be so with the various councillors that you met; there were times when you disagreed with some of the things they said?-- Oh, absolutely, yes.

20

But provided they were reasonable and rational and sensible you were able to work well with them?-- Well, that was my approach. I mean, it's the only way you come to conclusions is through reasonable arguments-----

Okay?-- But when it becomes personal and people start throwing names, I can't see that that achieves anything.

30

And so when you were invited to that meeting of 16th December at Quadrant-----?-- Mmm.

-----there were a number of people present but one of them was Councillor Power, wasn't it?-- Yes.

And Councillor Power said at that meeting something to the effect that, "We're talking to you guys, the reason we're talking to you guys is because you appear to us to be sensible, rational, well-behaved people and we're anxious to end up with a Council that knows how to behave properly and professionally." That was said, words to the effect?-- Words to that effect were probably said, yes.

40

And that took you by no surprise at all, did it?-- No, because that was the reason I decided to run in the first place.

Yes, and you knew that he knew - he, Councillor Power and the other people present, had enough to do with you that they might well think that you were a sensible rational well-behaved person?-- Yes.

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And a capable person?-- Mmm.

Is that right?-- Yes.

And you said they never asked you about whether you were pro development or not-----?-- Mmm.

1

That subject just never came into the discussion-----?-- No. Not at all.

-----did it?-- No.

And the learned Chairman said earlier on that they might have found out from others what your views were on development and so forth?-- They may have, but development's not something I generally talk about to any great extent anyway.

10

But, you're not particularly pro-development, are you?-- No, not particularly. I think every development submission would need to be discussed on merit not - I certainly-----

Your approach would be-----?-- -----I wouldn't classify myself-----

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-----that whatever - if you'd - if you'd become a councillor, you'd simply take every application on its merit and you would deal with it honestly, reasonably and sensibly?-- Absolutely.

Right. And, you never, ever suggested that you'd do otherwise-----?-- No.

-----to anybody, did you?-- No.

Neither to Councillor Power or anybody at the Quadrant meeting?-- No.

30

Nor to anybody in the Liberal Party, or your husband, or friends, or anybody that you'd ever met?-- No.

Because you never would. You - you'd simply deal with it-----?-- Yes.

-----in a sensible, rational fashion?-- That was my approach. My approach was I was running for the people.

40

And that you've disagreed on any application with anything that was being put, for example by David Power, if you'd gone into Council and things had been put up and Power was putting something, or any other councillor was putting something that you didn't agree with that you thought was wrong, you would have opposed it?-- Yes, definitely.

It was always your intention while you were running for-----?-- Yes.

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-----for the - for the job. Is that right?-- Yes, that's right. And-----

And, you never promised or suggested to Power or anybody else that you'd do otherwise?-- No.

No. And, in fact, you were never asked to-----?-- No.

-----do otherwise?-- No.

Nor was it ever suggested-----?-- No.

-----that you might do otherwise?-- No, it wasn't.

All that was raised at this meeting of the 16th of December was, we want sensible, reasonable, rational, capable people in there as councillors?-- Yes.

10

And we're willing to do what we can to assist to make sure those people get in?-- Yes.

Your - your advertising material, I think it's exhibit 58, or in part at least, prior to that meeting, or prior to you even speaking to Quadrant, talked about you being an independent?-- Yes.

And you were an independent, is that right?-- Yes.

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Now, I think you said you were supported by both people from the Liberal Party and people from the - the Labour Party?-- The Labour side, yes.

Yes. Because there are a lot of people, if I can put it in these terms, Councillor Crichlow, who you were running against, is quite a robust person, isn't she?-- Yes.

And she has a tendency to polarise views?-- Yes.

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You either love Dawn Crichlow-----?-- That's right. That's - that's-----

-----or you hate her. Would that be fair?-- -----that's true. When I was door knocking, it was one extreme or the other, there was no half measures.

Right. And - and there were a lot of people who felt very strongly that she wasn't an appropriate person. Whether they were right or wrong about that I'm not - I don't want to ask you but a lot of people thought very strongly that she wasn't an appropriate person to be representing the division?-- Well, that's right. The opinion seemed to be that while some of the things Dawn was trying to achieve were probably fine, she would use any means to, you know, to do what she wanted to achieve.

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Okay. Well, you-----

CHAIRMAN: Presumably, not a majority, Mr Nyst-----

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MR NYST: No.

WITNESS: Yes.

CHAIRMAN: -----as the result of the election shows, unfortunately for Ms Scott.

MR NYST: Well, you were running even before you went anywhere near Quadrant on a - a more professional approach in Council?-- Yes.

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You - you felt that there needed to be more commonsense?-- Mmm-hmm.

More appropriate behaviour in Council?-- Well, that's right. There's was a great deal of community debate about it at the time and photographs in the paper of councillors arguing and bickering.

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Yes. Well, it was an issue you felt very strongly about, wasn't it?-- I love the Gold Coast. I felt the Gold Coast had been poorly done by with the image that was often portrayed in the media and I thought that we - we were a modern, progressive, professional city and we should be portrayed that way.

Pardon me just a moment. I think you might have mentioned in your - in your statement to the Commission that you couldn't believe that no-one had the fortitude to stand against such an unprofessional woman who never seemed to have a nice thing to say about anyone and there you were talking about Councillor Crichlow, were you?-- Yes.

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But, in - in - you were speaking about it in the context of the way you perceived her to be going about her business?-- Yes.

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As opposed to necessarily the issues, the - the - what you perceived to be an unprofessional?-- Well, that's right. There had been national media coverage on a chook issue at one stage and I didn't really feel that issues-----

What was the chook issue? Remind me?-- The chook issue was the fact a home owner wanted to keep chickens in his backyard and his yard was deemed to be too small by the Council. So, Councillor Crichlow suggested he pull out some fence palings with his neighbour so the chooks could run in the two yards and then that the Council couldn't prevent that. However, a lot of the neighbours on either side of the properties complained to me because of the smell and because of the noise-----

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Mmm-hmm?-- -----and they had major issues with it. And this was all covered by national media.

National media coverage?-- Mmm.

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Well, there were other - there were other national media items on the behaviour of some of the people in the Gold Coast City Council. Is that fair?-- Right - that's right. There was another one on a building that wasn't the right shape for Councillor Crichlow so she wouldn't approve the further - any further-----

All right?-- -----approvals for that person.

Well, in any event, you - you felt that none of this was showing much commonsense?-- That's right.

And you - that was the - the flavour that you wanted to get into your - your advertising and your campaigning?-- That's right. I mean there was signs coming into Southport that say that we don't condone domestic violence in this area which, by association, seems to indicate that they might condone violence that isn't domestic. So-----

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Yes?-- -----there was rather odd happenings. Okay. But, in any event, you wanted to - to - to run on this basis of let's get some commonsense into - into the Council?-- That's right. On another occasion, a basketball court was built overnight to prevent the Schizophrenia Fellowship coming into Owen Park area.

Okay, but without going into the-----?-- Sorry.

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-----the various issues, you had this feeling about commonsense and with a - it was a term that was very broadly being used in the Gold Coast community at the time by those who were dissatisfied with what was happening in Council?-- Yes.

There was this recurring theme of people using that phrase that there's just no commonsense being shown-----?-- Yes.

-----these people are behaving like kindergarten children-----?-- Mmm-hmm.

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-----that sort of thing?-- Yes, there was a lot of discussion about it.

And, so even before you went anywhere near Quadrant, commonsense was a - was something that was in your mind, whether it was in your material or not, that was - that was one of the - the issues. Is that right?-- Mmm.

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Is that-----?-- Well, yes, I mean it's not my word but, yes, professionalism, better quality candidates-----

Okay?-- -----more rational argument.

All right. And, you did - did you include works to that effect, that you wanted to see commonsense in Council in your material, after speaking to Mr-----?-- I may have.

-----Morgan, or others? You don't - you don't recall?-- I don't really recall.

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Okay. But, in any event, you never campaigned under any united banner with-----?-- No.

-----Mr Power or anybody else, did you?-- No. We'd all had our own campaigns. The look and the total feel of everything

that was done was quite different. Unlike a political party which obviously has common-----

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Yes?-- -----look and feel to all its material.

Well, you got some advice from Mr Morgan, you've told us that?-- Mmm-hmm.

And - and you concede that it's possible that Mr Morgan advised others?-- Yes.

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But, there was never any united banner of advertising?-- No, that's right and he - apart from maybe a couple of minor suggestions, there was no major rewrites of any of my material that I gave to him.

And your material all related to - specifically to divisional issues, didn't it?-- Yes. Well, and overall issues such as water and so on, yes.

20

I see, okay. And - and you've told us you were supported by - by Mr Lawler and - and by the Liberal Party person, Mr Choburg?-- Mmm-hmm, yes.

Now, you - you told my learned friend that you were at that meeting. I think you said, I was really - I was really there - only there for me?-- Yes.

And, by that you meant, I went along to get some advice for my campaign?-- Yes.

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I wasn't asked to join any sort of ticket or-----?-- No.

-----become part of any - any alliance or-----?-- No.

-----voting block?-- No.

I was there just to concentrate on my own campaign?-- Yes.

And I was told that there might be some funding?-- Yes.

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All right. What I want to suggest to you is this: that the funding issue came up in these general terms - sorry - was mentioned by Mr Power at one stage in these general terms, something to this effect, "Business is very keen to ensure we get our act together. We're hoping that the business community might put its money where its mouth is to some extent and support sensible candidates. I'll be doing what I can to let my contacts within business on the Gold Coast know who I think the sensible candidates are."?-- Well, that was certainly my understanding that it was a business community

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Right. And it was words to that effect that was-----?-- Yes.

-----spoken by Mr Power at that meeting. So did you go away with the view, "Well, he thinks I'm a sensible, reasonable, rational person that he can deal with in Council and would like to see me elected so he's going to see if the business

community will provide some money to support me and others that fall into a similar category."?-- That was my understanding, yes.

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All right. And you said that the only - I think you said you were chosen by default because you were the only person opposing Councillor Crichlow but you might be being a bit unfair to yourself there, mightn't you, in the sense that you had dealt with each of these councillors before and they had had some opportunity, hadn't they, to make some assessment of you?-- Well, they would have but I should imagine if they did want someone who would be willing to vote in a certain way, they would have chosen someone else other than me-----

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But there was no suggestion-----?-- -----that they knew better. No, there was none.

No suggestion of them wanting you-----?-- No.

-----to vote in a particular way, was there?-- No, that's right.

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No. And you say, "Well, I was picked by default." But the point I make is it was hardly just because you were the only one running against Councillor Crichlow; it was also the fact that you were a person known to them, I suggest, as a capable, reasonable, sensible person?-- That probably did play a part in it, yes.

And whether you disagreed or agreed with other councillors on any particular issue, would approach the issue in a judicious sensible fashion-----?-- Yes.

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-----and in an honest and capable way?-- Yes. Absolutely.

Absolutely; all right. You were asked about Exhibit 14 which is a document said to have been tabled at that meeting; do you remember the document I'm talking about?-- Yes.

Now, that's not your document, is it?-- No.

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And so far as you know that was produced by one of Mr Morgan's staff; is that so?-- I don't know. It wasn't signed. I'm not sure who produced it. It was circulated.

All right. But in any event - sorry?-- It was circulated but I didn't keep a copy of it.

In any event, the issues on that list were not discussed at the meeting; is that so?-- Not to any great extent that I can remember, no. We did talk in general terms about some of those issues but not in trying to prioritise them or anything.

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Well-----?-- As far as I can remember.

Without going into too much detail, the paper - I don't know whether you recall it - but the paper under the heading "Objectives" seems to suggest that whoever wrote it felt the

five key issues would be - would be agreed upon. You didn't do that, did you?-- No, I don't remember. I think there was about eight issues in all and the last one said "any other issues not covered" so-----

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What I'm saying is that the issues - there was no objective-----?-- There was no - wasn't narrowed down to five according to my-----

No attempt to choose five issues or indeed any detailed discussion on any of the issues you've told us?-- Not that I remember, no.

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During the meeting they mentioned getting some commonsense into Council?-- Yes.

And you told my learned friend that you couldn't agree more, that's why you were running?-- Yes.

And that's right, isn't it?-- Yes.

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You felt there was a need for some sanity I think is a term you've used?-- Yes.

Some sanity in Council. And there was never any suggestion, was there, that there be a joint commonsense ticket?-- No.

Or any sort of joint united commonsense banner or-----?-- No.

-----commonsense advertising ticket of any kind?-- No.

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No. You said you all had your own individual media campaigns running. By that, do you mean I take it that you were running on your own individual divisional issues?-- Yes, my divisional issues and some of the overall issues that I felt weren't being addressed by the Council because there wasn't any agreement in Council. I mean, my slogan was "It's time for a change" so I developed that early on and I kept it right through.

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Okay. You told my learned friend that - you said, "I don't remember any talk about keeping the meeting secret." There was no suggestion by David Power or anybody at that meeting that you should in any way lie or misrepresent-----?-- No.

-----or even be coy about-----?-- No.

-----anything, was there?-- No, not that I remember.

And no suggestion by David Power or anybody else that you should fail to declare anything correctly or in any way depart from the requirements of the Local Government Act?-- No, that's right.

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You said that a lot of the discussion at that meeting was general advice on campaigning and I think you said Sue Robbins didn't like your red car-----?-- Yes.

-----and she talked about colours and so forth. But, indeed, a lot of the discussion at that meeting focused on, as it were, helpful hints and tips as to how you could run a campaign and how you could maximise your chances of winning?-- Yes.

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And the rhetoric, at least around that, was saying "We want to help you. We want to give you whatever helpful hints and support we can because we think that you people around this table seem to us to be sensible, reasonable, rational people that will behave in a professional fashion if you do get into Council?-- Yes, that's right.

10

And they were proffering advice and funding if it could be arranged to maximise the chances of having capable people such as yourself in Council?-- Yes.

No talk or suggestion or hint at all of your voting in any particular way on any matter?-- No, definitely not.

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Nor any discussion, neither with you or anybody else, around the table, "And how do you feel about development or pro development or anti development", none of that?-- No, nothing like that.

And ultimately, it is the case, isn't it, as I think you said, "There was no requirement on me to be anything, say anything, or do anything"?-- Mmm.

That's so?-- Yes.

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The funding was being offered on the basis that "We think you're a sensible, rational person and we want to maximise your chances of getting in so we're going to do what we can to see that happen"?-- That's right.

No requirement for you to do those things, nor any request or suggestion that you might?-- No.

There were no common policies discussed?-- No.

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No platform?-- No.

No common thoughts on individual issues?-- No.

No suggestion of common advertising?-- No. In fact, I think I remember that Councillor Robbins and Councillor Power saying that they had - they often disagreed in Council on issues.

Yes. Councillor Power said something like - along these lines, didn't he - he said, "People on the Gold Coast expect their councillors to be independent so it's very important you remain independent at all times". He said that, didn't he?-- Yes, I think so.

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"But at the same time you don't have to be discourteous and disruptive in the process. If you've got a different opinion

to someone else, that's fine, nobody cares"-- Yes, that's -
that's my memory of it, yeah.

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Yes, that's what he said. But if you've got a different
opinion then you argue it logically and sensibly and politely.
You don't just attack your fellow councillors and
grandstanding Council for purely political
reasons-----?-- Mmm. Yeah, that was the crux of the
whole-----

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Words to that effect, yes?-- Mmm.

Now, at some stage the possibility of funding was discussed
and you say it was your understanding that you wouldn't know
the name of the donors?-- Mmm.

At that stage it was thought, wasn't it, that it was
preferable for people not to know the name of donors because
if you didn't know that somebody was donating then you
couldn't be beholden to them?-- Mmm, exactly.

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That was the thinking that was being put across and discussed
at that meeting?-- Yes. Yes.

You didn't want to be beholden nor did you want any suggestion
that you ever might be beholden to them?-- That's right. And
I trusted that logic in that these were experts I thought I
was working with.

Yes. Well, beyond that you, as a sensible, intelligent
person, accepted that as making good sense?-- Yes.

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If the funds were put in somewhere and I don't even know who
put them in well I cannot even subconsciously favour those
people-----?-- Yes.

-----and nor can there be a perception that I'm-----?-- Yes.

-----favouring them. Now, you have seen a Gold Coast Bulletin
article that referred to - that purported to quote Mr Brian
Ray, and I think had the banner headline, "King Maker"?-- Yes.

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You objected to that - to something that was said in there,
didn't you?-- It's over a year since I read the article.

Yes?-- I can't really remember what was in it to any great
extent.

But it in-----?-- Yeah.

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-----effect suggested, didn't it, that some candidates were
being in some way propped up by Brian Ray and the development
industry. Is that right?-- Yes. Was that written by Alice
Jones, that article?

I think it was. I'm not-----

CHAIRMAN: Which article? Which one in Exhibit 3 are you referring to, just for the record so we know.

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MR NYST: I'm not sure whether we've got it. It is, I know, part of Exhibit 3, but I don't have the whole of Exhibit 3 with me here. But it was - I think it was the 26th of-----

CHAIRMAN: There is one on the 25th of March, a "King Maker", but it's only about that long, so I don't know that that's the one.

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WITNESS: There was one that was a full front page-----

MR NYST: That's the front page I'm thinking about.

CHAIRMAN: It might be a very small part and then go over to page 4 which is 28, 29 in Exhibit 3. Have a look at that?-- There was a full front page. It was immediately before the election and Dawn had it on - she'd stack it up everywhere. She had multiple copies of it and it was all over the pre-polling booths and polling day booths. Alice - Alice Jones was the Council reporter and Alice Jones's mother, Valerie Jones, and Dawn were very close personal friends and every time Alice Jones would call me for a comment she was very aggressive and hammering me and trying to trap me at every opportunity.

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See the problem with these, Mr Nyst, is being the extract it doesn't - might have been a big photo taking up the rest of the front page and it doesn't show.

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MR NYST: Well, do you recall that the article opening with something to the effect of "Successful developer Brian Ray has identified himself as one of the money men behind an alliance of candidates looking to form a voting bloc on the Gold Coast City Council?-- Yes, I remember it. That was the first time I'd ever heard of or knew who Brian Ray was.

And you strongly objected to that, didn't you?-- I objected to Dawn plastering it all over the pre-polling booths and telling everyone it's a dirty campaign because of it.

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Well, it is not true, is it, that you were a part of any alliance of candidates looking to form a voting bloc on the Gold Coast City Council?-- No.

And you objected to the fact that you say Ms Crichlow or Councillor Crichlow made posters, was it?-- Well, yes. It was a full page thing. She had it stuck up everywhere.

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Displaying it at the booths?-- Yes.

And you actually complained to the CMC about that, didn't you?-- I did send a letter of complaint into the CMC after the election. I think it was some weeks after, only because every time I saw Dawn around she would yell out to me that I was being investigated by the CMC. So I felt what I had experienced was far worse than anything I had done so - and a

number of my booth workers had complained to me about the behaviour of Dawn during the election day so I asked them to put it in writing and I did send it to the CMC. And you complained, didn't you - you complained on the 7th of May, didn't you, 2004?-- Yes.

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And you complained that Councillor Crichlow had proclaimed on election day that "Roxanne is under investigation by the CMC and will receive thousand dollar fines next week."?-- That's right. On election day she constantly yelled out that I was under investigation from the CMC; there was a dirty campaign, that I'd received hundreds of thousands of dollars from developers.

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Well, none of that was true, anyway?-- No.

You certainly - you weren't part of any bloc and you hadn't received hundreds of thousands of dollars?-- That's true, yes.

Now, you were asked about some dealings you had with Mr Norm Rix. Mr Rix is a longstanding Gold Coast resident, isn't he?-- As I understand it, yes.

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And he's been in business on the Gold Coast for a long time?-- Yes, he may have been, but I don't really mix that much in those sorts of circles, so I didn't really know him.

A number of different kinds of business-----?-- Or much - much about him.

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-----I suggest. Pardon?-- I still don't know much about the nature of his business.

Do you know he's ex-councillor, isn't he, an ex Gold Coast City councillor-----?-- I think-----

-----two terms?-- I don't - I wasn't living on the coast at that stage. Yeah, I may have been aware of that. He may have told me.

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But you'd be aware that he takes - he takes a very active interest in the affairs of the Council and the Gold Coast community generally?-- Yes.

Right. And he's a spoken commentator from time to time - sorry, a published commentator from time to time about matters pertaining to the Gold Coast community?-- I don't know a lot about it, but he may well be.

He's involved with the Chambers of Commerce, isn't he?-- I haven't met him at chambers.

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CHAIRMAN: Mr Nyst, I'm not wanting to inhibit you, you've made the point, but Mr Rix is not your client.

MR NYST: No.

CHAIRMAN: He hasn't - there's been nothing to connect him with your client. This witness is saying she doesn't know anything about him so for you to keep making comments about him that she can't agree with is really not very helpful.

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MR NYST: But what has happened is-----

CHAIRMAN: Well-----

MR NYST: -----she has been - she has been attacked on the basis of "you approached a developer" and it's really a misstatement.

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CHAIRMAN: You're not - you're not acting for this witness.

MR NYST: No, but I am acting-----

CHAIRMAN: You can cross-examine on behalf of Councillor Power and I've given you permission to do that. I think you've exhausted the issue on Mr Rix.

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MR NYST: Yes, but sir, could I just say that there's been awash for - throughout this inquiry that there's some kind of developer conspiracy in all of this and what people seem to fail to understand is I'm a self-reported-----

CHAIRMAN: Mr Nyst.

MR NYST: -----developer last year-----

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CHAIRMAN: Mr Nyst.

MR NYST: -----because I did a duplex.

CHAIRMAN: Mr Nyst, please. I'm - I don't need a speech from you. I've made a ruling on that point so would you move on.

MR NYST: I shall, sir. Now, Mr Rix - I'm moving onto a different subject but to do with Mr Rix, sir.

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CHAIRMAN: It's all right.

MR NYST: Mr Rix, you said, was happy enough to make a contribution but didn't want it made public because of a fear of backlash by Councillor Crichlow. Is that-----?-- I don't think he used those words, they're probably my words rather than his words but that was my general understanding.

All right. Well, you said, "My observance of Councillor Crichlow's behaviour confirmed that," or something to that effect?-- She tends to hold a grudge, yes.

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Well, whether she does or not, had it - it had been reported to you, hadn't it, by a number of people that threats had been made to them? I'm not suggesting there was any substance to it at all but what I'm saying is that these sort of things had been reported back to you?-- Yes. I can give you an instance if you want.

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No, I don't really want instances?-- No, all right.

Unless somebody else wants to get the detail but-----?-- Yes, it had been said.

-----all I'm saying is when this person said to you, "I don't want it made public" you-----?-- Yes.

-----assumed, well - you thought, well, it may well be because of backlash?-- Absolutely, yes.

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And that was consistent with some of the things that had been - had been communicated to you whether they were true or not?-- Yes.

Right. So you asked nothing further about that when he said, "I'm happy to make the payment but I don't want it - don't want it made public"?-- Yeah.

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You had no problem with it?-- I respected his privacy on the matter.

Okay. Councillor Crichlow - I think you said Councillor Grew said to you that you'd be in tears before the end of the campaign?-- Yes.

That was said in the context, wasn't it, that Councillor Crichlow can be a robust person-----?-- Yes.

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-----and a robust campaigner, is that so?-- Yes.

Well, she did make statements, you say, about you being beholden to developers or whatever, is that right? Or being backed by developers?-- Who said that, sorry? Dawn?

Councillor Crichlow?-- Oh, yes.

And in your complaint to the CMC you yourself raised the fact that Councillor Crichlow had accepted campaign funds from developers, didn't you?-- That's right, developers in Southport.

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Yes, including Meriton who - who had been shown some leniencies in development applications?-- I don't know whether they were shown leniencies or not but they certainly had development applications approved.

Okay. But the fact that Councillor Crichlow had received funds from developers, there was nothing wrong with that, was there?-- No, I don't see that as being wrong.

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No. The fact that she'd - she did vote on the Meriton applications, didn't she?-- I don't know.

But even if she did there'd be nothing wrong with that, would there?-- No, I guess not, because the-----

Provided she - pardon?-- Yes, the funding she received was after the vote, so I guess not.

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She'd be quite entitled to receive the funds from developers and provided she - she voted correctly?-- Mmm-hmm.

She didn't favour them in any way inappropriately then she was quite entitled to?-- Yes. She must have had a fairly close relationship with them though because during the election I was saying that the - pardon me - the Broadwater area was very tired and old, was tired with closed - permanently closed toilet blocks and it was like stepping back into the fifties when you walked onto the Broadwater area, and I said that it should have beautification work with boardwalks and that sort of thing and within two days Dawn had an artist's impression of boardwalks on the Broadwater and I believe Meriton was going to pay for these boardwalks that have not subsequently eventuated anyway.

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All right. Well, in any event, the money that ultimately you received, you said you thought it was coming from the business community?-- Yes.

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And because that's what - that's what Mr Power and others had said, that "we think the business community might put their money where their mouth is"?-- Well, that's right.

And people from the business community such as Lionel Bardon and Ian Solomon had been saying similar things to you, hadn't they, that the business community was going to get behind and support some quality candidates?-- Lionel Barden - neither of them really said anything to me. They didn't say anything to me about that. Ian Solomon I did ask whether the Southport Chamber members could support me in some way but nothing eventuated.

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All right. Well, you said you didn't think about whether the money was coming from developers and it didn't really matter to you whether or not?-- No, that's right.

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There was nothing - you don't see anything inherently evil or sinister about developers?-- No, that's right. The Gold Coast is what it is because of development to a large extent.

But you were put - it was put to you by my learned friend that you knew it was coming from people who would potentially be putting matters through council for council's consideration and you agreed with that. You knew it was coming from people who would potentially be putting matters through council for council's consideration, is that so?-- I guess I did because that was the purpose of keeping it - keeping the donors confidential.

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And that would include at least every citizen of the Gold Coast, wouldn't it?-- Exactly, yes, as I said yesterday.

Every citizen of the Gold Coast at least?-- Yeah.

Would potentially be putting-----?-- Absolutely. 1

-----matters before the council for consideration?-- Yes.

So you'd be quite happy to receive moneys from developers or-----?-- Well, as I said yesterday it was-----

-----any other person in business or generally?-- -----a church giving me the money. Potentially there could be a conflict there. 10

You told my learned friend I think this morning that - you were being asked about one of the news reports, number 18 I think it was, of Exhibit 3. It talked about a ticket, and you said, "Well, I wasn't aware of - I was unaware of a ticket because there wasn't a ticket," or words to that effect?-- Mmm-hmm.

Now the issue of a ticket was specifically addressed during the meeting, wasn't it? I don't mean - I don't mean in that term necessarily but words to the effect of Mr Power saying something to this effect during the meeting, "We're not looking at forming any sort of a ticket or alliance in council," and that was then followed by the comments that I spoke about earlier, people on the Gold Coast expect their councillors to be independent and it's important that you remain so?-- I don't specifically remember those words but I think he probably did. 20

But you remember that sentiment coming across, didn't you-----?-- Yes, that's right, yes. 30

-----in very clear terms-----?-- Yes.

-----and you were all to remain-----?-- Yes.

-----independent?-- Absolutely, yeah.

At all times. And you consider yourself to be independent at all times?-- Yes. 40

You didn't consider yourself as beholden to anybody?-- No.

Nobody asked you to be beholden to them?-- No.

Nor did they make any suggestion that you would vote in a particular way or favour any sort of person-----?-- Nothing like that.

-----or any group of persons; is that right?-- Not at any time. 50

And nor did anybody, in particular Mr Power, ever suggest that you should tell any untruth or make any misleading statement or be in any way coy about anything?-- No.

All right, thank you.

MR WEBB: I have no questions

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MR T FYNES-CLINTON: Mr Chairman, I have one matter, if I may, thank you.

CHAIRMAN: Thank you, Mr Fynes-Clinton.

MR T FYNES-CLINTON: There was some conjecture yesterday afternoon about how you completed your election gift form. One of the items disclosed is for an amount of \$18,673.72 identified as an in-kind-----?-- Yes.

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-----donation?-- Yes.

Did you receive that money as a cash donation?-- No.

Right, thank you. The item goes on to say, "Description, artwork, copyrighting, web page, signage", et cetera, et cetera. Do you think it's fair to say that those items reflect services that were provided for you?-- That's right.

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Thank you. I mean, your evidence this morning, just by way of an example, I've heard you say in response to a question, "Chris wanted me to do more" and in response to another question I heard you say that you were getting concerned because you were running up accounts with Quadrant?-- Yes.

And, in fact, an exhibit was put before you this morning, Exhibit 69, which has been tendered - you don't need to see it - down the bottom of that email - it's an email from Chris Morgan to yourself - "PS See you at Lakelands on Wednesday. Your core flutes should have been delivered this afternoon. Dana is assembling material for your chamber breakfast tomorrow." As I said, that's an email from Chris Morgan to yourself. Having regard, just as an example, to that email and those two comments I heard you make this morning, who in your mind did you - or who did you receive these services valuing \$18,000-plus from?-- Well, in my mind I received them from the Quadrant, yes.

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Yes, thank you. That's all, Mr Chairman?-- But - yeah.

CHAIRMAN: Yes, Mr Betts?

MR BETTS: Greg Betts, Gold Coast City Council. I seek leave to-----

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CHAIRMAN: Mr Betts, come over to the microphone if you would, thanks.

MR BETTS: Thank you, Mr Chairman. Just a couple of questions. Mrs Scott, you - you have said that Councillor Dawn Crichlow made false and misleading claims about you during your election campaign; is that correct?-- Yes.

You mentioned another group of candidates standing for election in the 2004 Gold Coast City Council elections, the "Concerned Ratepayers' Group"; is that correct?-- Yes.

Are you aware that at least one of those candidates from that group did not mention the others in their electoral return?-- No, I don't know what they did.

Based on that, Mrs Scott, would you - would your comment - sorry - based on that, Mrs Scott, what would your comment be to the proposition that the abovementioned people are not to be investigated as part of this Inquiry? Would you consider that fair?-- I suppose it would be. I - I consider the amount of money going into this Inquiry already being quite over the top, so I don't think it's up to me but if you want to be consistent I think there's a lot of things that probably need investigating to - if you're going to do this to this extent, certainly Dawn's activity and perhaps those other groups' activities should also be investigated.

Thank you, Mr Chairman.

CHAIRMAN: Now, you're?

UNIDENTIFIED SPEAKER: Permission to ask questions.

CHAIRMAN: Who are you - who are you and where are you from?

UNIDENTIFIED SPEAKER: Chairperson, Citizens for Democracy.

CHAIRMAN: Well, no, I'm not prepared to allow general groups to ask questions, I'm sorry. Yes, Mr Boyle?

MR BOYLE: I don't have any re-examination, Mr Chairman. Can this witness be excused.

CHAIRMAN: Yes, thank you, Ms Scott, you're excused?-- Thank you.

Thank you for your attendance and your evidence?-- Okay.

WITNESS EXCUSED

CHAIRMAN: Mr Pforr, can I ask whether you have received your legal advice as to whether you could proceed with your evidence this afternoon?

MR PFORR: Yes, Mr Chairman. Look, I have been in contact with them regularly. I'm quite prepared to come back on the stand.

CHAIRMAN: All right.

MR PFORR: But whether they're here in time-----

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CHAIRMAN: At quarter past 2.00.

MR PFORR: That's fine, Mr Chairman.

CHAIRMAN: All right. Thank you. We will adjourn until 2.15.

THE HEARING ADJOURNED AT 12.48 P.M. TILL 2.15 P.M.

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THE HEARING RESUMED AT 2.17 P.M.

CHAIRMAN: Yes, Mr Pforr.

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GRANT JAMES PFORR, CONTINUING:

CHAIRMAN: Now, Mr Pforr, you're on your former oath-----?-- That's correct.

-----that still continues?-- I'm aware of that.

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Yes. Okay. Thank you?-- Now Mr Chairman, I had a couple of points - quick points of clarification, if I may.

Yes?-- The first one, as you understand, I stood down, requesting legal represent - to qualify with my legal representation. I made several phone calls. I have been doing that all morning. Unfortunately, I didn't expect Ms Scott to be finished so soon, so they're still going through the briefs and the transcripts, so I'm quite happy to come forward now and deal without my legal representation.

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Well, look, it's a matter for you. If you-----?-- I just wanted to put that on the record, that was all.

Okay. You're quite happy to continue now?-- Yes, I am. I will call privilege if I feel I need to.

Okay?-- The second point; I was a little bit late this morning. I understand you made mention about privilege being misrepresented in the paper this morning.

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Yes?-- I'd just like to put that on the record too that - for that reason.

Well, that's - it's on the record, so it's all right?-- Thank you. My final one; during the earlier articles in the paper,

I was - suggestion of my loss of memory throughout. I pride myself on keeping a lot of records - thorough records - and I need to refer to this, but I would just like to bring to your attention an article and I'd like to submit it as an exhibit, if I may. On September the 24th, 5th, which is the weekend bulletin - Gold Coast Bulletin for this year, 2005, it's from a journalist who was involved in the - leading up to the campaign. Her name is Alice Gorman. It's in her column, on page 36. The heading is in quite bold "Trouble Remembering Things" and then just quickly, there's one line here: "I panicked briefly and then hit the borrowing library system, searching through the stories written about the Council over that time". Now the reason I'm raising that, Mr Chairman, is I have trouble remembering two years ago and even a journalist who dealt with it had trouble remembering.

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All right. Look, I don't think I'll tender that as an exhibit, but the points you make is in fact that you are referring to matters that occurred a fair while ago and that-----?-- That's correct and the fact that earlier this week, the articles have been attacking my credibility as in relation to remembering things. I pride myself on keeping records in that case, but I always like to refer to them. For something that's happened several years ago, it's very hard.

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Yes. Well, your point has been made, so fine?-- Just for the record. Thank you.

Mr Nyst?

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MR NYST: Mr Pforr, you lived during 2003/2004, in the Coomera area; is that right?-- Hope Island.

Hope Island, sorry and you'd been a business man in that area for some time?-- I've lived on the Gold Coast my whole life. I've worked and been a business man on the Gold Coast my whole life.

And you ran a concreting business there for a long time?-- Oh, look, I do concreting or anything. I am now a registered builder, but in my earlier trade, I was a plasterer, tiler, concreter, home renovator.

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All right. Well, you were known in the community there though as a local business man?-- That's correct, a small business man.

Yes. You're not a developer or anything, are you?-- Very much not. I'm a small business man.

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Okay. And you - in the year 2003, you were living in that area-----?-- That's correct.

-----and you had children at the local St Stephen's College; is that right?-- That's correct.

And Mr Brian Rowe was the principal of St Stephen's College at the time?-- That's correct.

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You had a good deal to do with him?-- Over the years, from the time we moved our children to there, yes, I did.

You've known him for a number of years and you knew him as a, what you considered to be a sensible man?-- I believed so. He came with very good credentials from the Somerset School. He was the foundation headmaster-----

Mmm?-- -----and yes, he was very well thought of.

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Yes. But beyond that, in your dealings with him, he always seemed to be a rational sort of person?-- Yes.

And David Power was the local Councillor in that area, wasn't he?-- That's correct.

And he also had children at the local Anglican School at Coomera?-- I found that out much later.

Later. All right. In any event, at some stage, you became involved, I think you told us in your earlier evidence, and wanted to get a rowing club organised for St Stephen's, didn't you?-- I first went to the headmaster, Brian Rowe, to - just to give him a background on my history on the Gold Coast and my passion and I felt there was a perfect opportunity in the area to create a water sports facility in the area.

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Okay. But in any event, you became involved in this water sports project, which ultimately resulted in the Coomera Water Sports Club being set up; is that right?-- That's correct. It was founded in 1999.

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And as part of that whole project, you had necessarily to have a lot of dealings with Mr David Power, who was the local Member?-- For obvious reasons of being a divisional Councillor and talking about the property that was in question where the clubhouse is now standing, I needed to deal with Council.

Yes. And you did. You dealt with David Power over a number of years-----?--?-- Over a number of years, as well as a lot of Council officers.

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Okay. Look, you've put in a lot of work into that club, didn't you?-- Look, I've never been able to quantify the amount of hours, both voluntarily-----

It would be fair anyway-----?-- -----if I may say so.

Yes, it would be fair to say that you worked tirelessly on that project on a voluntary basis?-- That's correct, raising a lot of Government funds along the way.

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And you also, you ever put a lot of your own money into it, didn't you?-- Oh that is correct and I was out of pocket for a very long period of time in some cases, because the club couldn't afford to pay for things. I paid for it up front and then was reimbursed, six months, 12 months, sometimes 18 months later.

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Well David Power became aware of your efforts in that regard though, the good work that you were putting in, the fact that you were applying yourself so ably there?-- I think when I gave him a copy of my CV there was quite a number of letters of reference for community projects. I'd been a community worker for 30 years-----

Yes?-- -----with projects as far down as Tweed Heads, with disabled children, where I donated all of the material, paid my workers to work on these children hospital extensions.

10

Yes. Well, that was as a result of him reading your CV but from a first-hand level he was having a lot of contact with you and could see the hard work you were putting in; is that a fair statement?-- I think I became a bit of a pest.

In terms of?-- My communication with him.

In terms of all of the work that you were doing on it; is that right?-- That's correct.

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When you say you became a bit of a pest, you didn't always agree with David Power on every issue, did you, but you were able to work with him?-- Oh very much so, and I told him when I thought he was wrong.

Yes, but you were both reasonable sensible people who even though you disagreed on some things were able to form a working - a workable working relationship?-- Well, I - as I stated in my statement, I pride myself - or in my covering letter, I'm trying to work with anybody.

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Yes, but all I'm saying to you is - I'm asking you about David Power?-- That's-----

Although you had disagreements with him from time to time, you were always able to sort those agreements out by sensible, rational discussion?-- That's correct.

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Right. And so you were able to - the two of you found that you were able to work together although you didn't always see eye to eye?-- That's correct.

You had a view, didn't you, that things weren't operating as they should in Council?-- Oh look, living on the Gold Coast my whole life and growing up I saw a lot of things happening in Council-----

Yes, but-----?-- -----that I wasn't happy with. Just of the things, you know, the inability to make decisions and that was one of the reasons I - I eventually took up my decision to stand.

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All right. But there was a deal of community discussion about things such as the bickering in Council and the behaviour of certain councillors in Council and so forth, wasn't there?-- Yes, and I - and from the outside, it seemed quite

strange and until you get inside you don't understand why that happens.

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Yes, okay. But in any event you had a view, as a result of that community discussion and your observations that things weren't necessarily operating as they should?-- That's correct.

And you discussed those views from time to time in a social sense or in a passing sense with David Power, didn't you?-- On the odd occasion-----

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And he-----?-- -----well and truly before I came into Council.

Sorry?-- Much before I came into Council on a social-----

This is what I'm talking about, during these years when you had contact on a regular basis with David Power to do with the Water Sports club, you from time to time would make observations about what you perceived of Council?-- That's correct.

20

And he for his part would sometimes make similar observations about you, wouldn't he, to the effect "some people are behaving atrociously in Council"?-- Yes, but I - I don't think he was - no, there was no personal attack from his point of view towards those people; it was just an observation.

No, I'm - yes, all I'm saying is that the two of you shared a view that Council was not always operating as it should be, that there was some inappropriate behaviour going on in Council?-- That's correct.

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Well, in 2003, then, you spoke to various people about this idea you had of perhaps running for Council?-- Yes, but I - I had several people speak to me in 2000 about standing for Council when I - in my time as President of Southport Surf Club and one of them was the then Main Beach Progress Chairman, Lyn Wright.

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But you didn't do that back then, did you?-- My children were too young and it was not appropriate at that time.

Okay. But fast-forward a few years and coming up to around 2003, you spoke to people, I think like Councillor or ex Councillor Lex Bell?-- Lex Bell was the first person I spoke to when I was considering standing.

He was a man that you had had dealings with, was he?-- He was - he was the then councillor for Division 7 and I was the President of the Southport Surf Club so he was my divisional councillor.

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Okay. And you actually spoke to Councillor Crichlow?-- Councillor Crichlow was my second port of call after - when I spoke to - actually - Lex Bell, who was the then - now the State Member for Surfers Paradise, because I was in some discussions to - with Lex about whether I should

stand for Division 7 or Division 3 which was the area I was living in.

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Right?-- I had - still had those grass roots in Division 7 as my time as President of the Southport Surf Club and I felt I had a good standing in that - in that area.

All right. Well, in any event, I won't go through the list. You've set it out here, but you spoke to various people including City and ex Councillors' and other politicians about the thought that you might run; is that right?-- That's correct, I - and in my dealings with applying for government grants, it was often commented at functions, "You stand for politics. You should stand for politics." And I often just shrugged it off.

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Look, of all of the people you spoke to during that 2003 time and leading up to your decision to run in the 2004 election, none of them was David Power; is that so?-- No, David wasn't aware until he had read the contact - read the article on the 30th of October.

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Okay. And did he mention to you after reading the article, "I see you're running, good on you" or words to that effect?-- That's correct, and I suspect if there - there was other people thinking of standing for Division 3 at the time but I was the first one that nominated in the paper.

All right. Well, one thing is certain, you were not recruited by David Power to run in the 2004 election?-- It was not mentioned or raised by him to me, no. I did it on my own bat.

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Now, I think you told us earlier that you were invited to the Quadrant meeting in December 2003?-- That's correct, 16th.

Pardon?-- The 16th.

16th of December. And Councillor Power was at that meeting, wasn't he?-- Yes.

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And now - pardon me a moment - well, at that meeting Councillor Power said words to the effect that he was interested in supporting various of the candidates there because he considered them to be reasonable, rational people, sensible people?-- That was - that was mentioned.

And that accorded with - that accorded with what you'd been hearing, didn't it, in the community at large about concern about having reasonable, rational, sensible people in Council?-- Well, that was consistent with my - the reason why I wanted to stand and my observations of Council leading up to that.

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Yes, meaning, you thought, that people in Council weren't all behaving in a sensible fashion-----?-- That's correct.

-----and in the good of the city?-- And that's - I have mentioned on the record earlier in my early time in the stand

my first motion that I wished to put forward was to have a think tank or a get-together where we could sit down and all thrash out our differences and talk about the next four years.

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And that was once you got onto Council?-- That's correct.

And what you're saying there is once you got onto Council you wanted to get all of the councillors together because you perceived there'd been bickering and personality issues that were getting out of control and interfering with Council business?-- That's correct.

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And you thought, well, if we can get these people together and have a workshop some of them might settle these differences. They might be able to overcome their personal differences and start moving together as a group-----

MS HAMILTON: Excuse me, Mr Chairman, I'm loathe to interrupt but Mr Nyst's questioning seems to be taking more of the form of speeches to which he asks the witness to agree. I realise some leeway can be given in inquiries of this type, but it would probably be more useful if the witness could be allowed to put matters in his own words to a certain extent.

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CHAIRMAN: Well, I did warn Mr Nyst of this, that hence is gained by this form of questioning and carry very little weight, but if Mr Nyst is happy to have the answers he elicits carrying very little weight, well, he's probably doing it to make the speech to the press, I don't know, but it's not going to be terribly helpful to the inquiry and I would prefer you to ask if there was a discussion about a particular topic and see if the witness can remember it.

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MR NYST: Sir, there's a lot of speech in what's happening here that's far more likely to find its way into the press than anything I say. I'm asking questions as I see appropriate, because I want to cross-examine these witnesses. I've got instructions-----

CHAIRMAN: Well, you're not really cross-examining, you're just making speeches and then asking the witness, "Is that correct?"

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MR NYST: Well, isn't that cross-examination? Isn't that a method of cross-examination?-- I'm quite happy, Mr Chairman-----

CHAIRMAN: Not in my time at the Bar, but the - continue on for the moment, Mr Nyst.

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MR NYST: Do you agree with that? Was that a view that you took?-- That's the reason why I brought it to the Council as a motion, yes, definitely-----

Yes?-- -----and I spoke on it and unfortunately Councillor Clarke took it on himself that it was not necessary at that point in time but history may have seen different now.

Are you saying that that motion on your thinking was, "If we get everybody together and they then get over their personal difficulties, then we can start actually addressing the business of Council rather than having these-----?-- Working - working together for the best of the city.

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-----clashes?-- Working together for the next four years-----

Yes?-- -----and it was a long haul.

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Okay. Well, you see I suggest that Mr Power said words to this effect at that meeting, "We have some serious behavioural issue with some of the councillors in Council at the moment"?-- Didn't he?

That's correct, and I've seen that.

CHAIRMAN: Mr Nyst, which meeting is this now?

MR NYST: Sorry, this is the Quadrant meeting on the 16th December?-- I'd seen that in the press, I've actually seen it myself when I was in the gallery. I did attend gallery meetings on a regular basis-----

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Yes.

CHAIRMAN: This is the meeting of 16th December?-- Oh, sorry.

That's why I clarified the question that it could have been confusing to you.

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MR NYST: But you had seen it prior to-----?-- Yes, that's what I was answering on-----

-----16th December, hadn't you?-- That's correct, in the gallery-----

Yes?-- -----on regular occasions-----

I think that you referred in your earlier evidence to having seen it and got the impression - I think you said something like, "These people had not graduated from kindergarten," or something to that effect. You made some comment in the press about that, is that right?-- Oh, look, I would've said something to that effect, I thought it was about time they got on with that.

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Grew up?-- Yes.

Okay, well, then I suggest Mr Power went on to say words to this effect, "We've been hitting the headlines-----"

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CHAIRMAN: Can you make it plainer because I don't know that the witness is always understanding where Mr Power is - where and when Mr Power is saying what you're putting there.

MR NYST: Thank you, Sir. This is - I'm talking about at the Quadrant meeting-----?-- 16th December.

16th December?-- Fine.

But you said words to the effect that the Council had been hitting the headlines for the wrong reasons and that the reason - sorry, just dealing with that, do you remember him saying that?-- Yes, I did and I've - and I've seen it myself.

You agreed to that-----?-- Sorry.

-----because you were part of - through the community you'd been seeing and reading-----?-- I didn't - I didn't pay-----

-----about these things yourself, is that right?-- I heard him say it, I didn't pay much attention because I'd already agreed with it and that was my stance before I came to the meeting.

Okay, and he said words to this effect - I think I might've put this to you, I'll put it again. "The reason we're speaking to you guys is because you all appear to be reasonable" - sorry "sensible, rational, well-behaved people and we're anxious to end up with a Council that knows how to behave properly and professionally," words to that effect?-- Well, as I stated originally, I went to Quadrant on the understanding they were helping with my media. I wasn't aware that other people were in attendance-----

Yes?-- -----and when I came across some of the councillors there, Chris Morgan made it quite clear that he'd called some of these councillors to give us some - on what not to and what to do during a campaign.

Yes, okay, but I'm just putting to you that Mr Power said something to that effect at that meeting?-- Yes, he did.

Right?-- But as I said, I didn't pay much attention to it-----

Yes?-- -----because I'd already agreed with it.

He spoke about wanting to have - wanting to be surrounded by councillors who behave with some dignity?-- Well, I don't know about surrounded, he just wanted to be working together.

Yes, I'm just putting to you what I-----?-- Surrounded, to me, sounds like he's leading.

Okay, well, I was just putting to you what I say - was said, words to that effect. Do you recall words to that effect?-- The - to that effect.

Okay. He said words to this effect, "I suggest we're not looking at forming any sort of ticket or alliance in Council"?-- Look, I don't believe that was even discussed.

You don't believe it was discussed - and I put it to you that he went on to say words to this effect, "People on the Gold Coast expect their councillors to be independent so it's very important that you remain independent at all times"?-- That

was definitely mentioned. It may not be exactly in that words but I took it that way.

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Yes, but he stressed the importance that - of all of you to remain independent in every sense?-- Well, I stated I - if I didn't state at the meeting-----

No, no, I'm not interested in what you state, I'm asking you what - I'm saying to you he said or he stressed to the meeting the importance of all of you candidates to be independent in every sense?-- I think the whole three councillors said that that attended that meeting.

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Whatever the others said, he, Power, certainly stressed that?-- Yes.

And he went on to say, "But at the same time, you don't have to be discourteous or disruptive in the process. If you've got a different opinion to someone else, that's fine, nobody cares but if you've got a different opinion, you argue it logically and sensibly and politely, you don't just attack your fellow councillors and grandstand in Council for purely political reasons," words to that effect?-- Words to that effect and in actual fact there was a bit of an argument between some of the councillors there over what they thought was a how-to-vote card or something else.

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There was a disagreement there?-- Someone agreed on a colour and the other one disagreed on the colour and then they - then they said, "Well, there you go, there's a perfect example."

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Now, at the meeting-----?-- Of the 16th?

Yes, at the meeting of 16th December, a document was tabled. You - it's Exhibit 14, do you know the document I'm talking about?-- That was the agenda-----

You talked about a document was brought in-----?-- Like an agenda item or something.

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Agenda item, you said it came in a bit later - I think meaning later than your arrival?-- That's correct.

And you thought it was brought in by one of Mr Morgan's staff?-- That's correct.

And copies were put on the table?-- Yes.

But Morgan did not speak to it at that meeting, did he?-- Look, I think he may have briefly, but as I said before, I just flicked it, looked at it and then dismissed it, filed it.

50

Yes?-- As a future reference material.

Well - but you took yours away with you?-- Yes, I think a lot of other people probably didn't even pick it up. There was

some left on the table when we walked out and there was - I was there nearly till the very end.

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And most of them left it on the table?-- There were some documents left on the table, yes.

And David Power did not address that document at all, did he?-- No, he probably - that was the first time he'd seen it.

Yes. But he didn't - what I'm saying is he didn't address it. He didn't talk about it. He didn't raise anything that-----?-- He did exactly the same as-----

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-----was in it?-- -----I did; picked it up off the table, flicked through it and put it back down.

Right?-- He didn't talk to it, if that's what you mean.

The document that we now know because you've got a copy it here, we can read it, but the document talks about a consensus being reached, a consensus for - to select - select group of councillors. But that was not mentioned, was it by Morgan, Power or anybody at that meeting?-- I don't believe so. Look, in my - my opinion if you go to a meeting and there's an agenda item you go through the agenda item line by line. There was never any of that. It was just a document that was handed out. We talked about, generally about where we were at, each individual, where you were at this point in time in your campaign and then there was some cross talk. Councillor Robbins certainly had a majority of a discussion. Chris tried to chair, casual chair of the meeting and Councillor Power and later on Councillor Shepherd happened to pass comments. There was - we didn't go through it line by line.

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All right?-- it's not - not how I would deal with a meeting.

Now, I think you'd said earlier that - sorry, in the third dot point there on the front - first page of that document there's a reference to a joint commonsense approach to solutions and I think you said commonsense solutions, that term was used by a number of candidates and you said someone said something about a commonsense approach?-- There - there was an article on the 26th of December, oh, well, the Virgin Army that - regularly use commonsense approach in their article of The Bulletin and I have copies of that.

40

But that theme of people needing to have a bit of commonsense in Council was a theme that you'd heard well before the 16th of December. Isn't that right? It was a theme that was circulating through the Gold Coast community?-- Look, I - I probably used it in my time at Southport Surf Club when - when I put down a five-year business plan, talking about common sense. I'm sure if I go back and pick out that document I would have - you'd find that there may even be a commonsense line in there on that.

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Well, there was no suggestion at that meeting that you would all campaign under a joint commonsense banner, was there?-- Never.

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And nor did you ever-----?-- No.

-----campaign under a joint commonsense banner?-- There - there was two meetings; that was it.

But the theme of common sense was one that had been much discussed on the Gold Coast in the lead-up to the 2004 elections, wasn't it?-- By a number of people, not - not just this group of people.

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Because there was - because there was a feeling amongst, in many circles that some of the Gold Coast councillors weren't behaving with common sense?-- That's correct.

And you said that - you said in earlier evidence that it was quite clearly stated that you were all individuals and you think that was stated by Councillor Robbins. But whoever said it and in whatever terms what was stressed very clearly in that meeting was that you were to remain individual, independent, maintain your own integrity, whatever term we might like to use, but that you were not in any way committing to any sort of joint voting bloc or ticket?-- That's correct. I mean, the group - I hadn't met Chris Morgan, Mr Morgan, and I hadn't met most of the group before but there was two individuals in the room, Mr Rowe and Mr Power, who definitely knew that I was an individual and I would - I would be making my own mind up.

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Now, you've said a number of times that you don't believe funding was raised at this first meeting?-- I don't believe so.

And you put that in your statement that was sent to the Commission, didn't you?-- That's correct and when I saw that agenda item, again if you look at the bottom point, next action or next points, funding was there. It may have been discussed just before we left saying at the next meeting we'll discuss funding.

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Yes?-- But as I said, I didn't pay attention to it. I only just noticed it when I flicked through it for the second time I'd seen it.

All right. But in any event-----?-- I don't - I don't believe funding was discussed but someone else may have recalled it. I didn't - didn't pay attention to it. It didn't concern me. I attended there, as I stated in earlier-----

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Yes. You were cross-examined about a comment that you made in your statement regarding Mr Molhoek. This is I think at-----?-- About him being excited about receiving funding or something.

No, this is on page - no, this is under 4(2)(i), you made a comment about him being enthusiastic about receiving funding and you gave some explanations about that, but you have always said and always maintained in that statement that at the meeting of the 16th of December there was no discussion about funding?-- My - my recollection there was no-----

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No?-- -----specific discussion on funding.

But look, there was a lot of talking going on that day, wasn't there?-- Oh, cross chat all the time. It wasn't-----

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And you didn't take in every word, did you?-- No.

You-----?-- Particularly - particularly specific to funding because I'd - I had budgeted. I went there and I didn't care about funding. All I wanted someone to tidy up my media.

Yes. Well, you talked I think in earlier evidence and now again about cross-chat and arguments, I think you said, in earlier-----?-- That's correct.

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All you mean is that this was a meeting of people who were all expressing views and things were being said back and forth around the table?-- The only organised bit of the meeting was the first initial when they were all gathered in the room and Chris went `round one at a time and just asked where you at with what you were doing. That was the only organised bit.

All right. Well, look, I'm not suggesting that you necessarily took this in or even heard it, but I do put this to you, that at the meeting, Mr Power said words to this effect: "Business is very keen to ensure that we get our act together. We are hoping that the business community might put its money where its mouth is to some extent and support sensible candidates. I'm doing what I can to let my contacts within business on the Gold Coast know who I think the sensible candidates are"-- Oh look, it may have been said, but I don't-----

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You couldn't challenge that it might have been said?-- No, I couldn't challenge it. I don't - I don't recall.

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All right. Now, there was then a second meeting in January 2004?-- The 8th.

Pardon? 8th of January?-- I think it was the 8th.

Yes?-- In my diary notes, it's the 8th.

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Right. Well, I'd suggest that Mr Power arrived late to that meeting and in fact left early. He was not at the meeting very long?-- I believe so, yes.

Pardon?-- I believe so, yes.

You told my learned friend that no-one ever told you that there was some things that you shouldn't talk about. I think

this was addressing the meeting?-- I don't remember any of that discussion around the table.

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Yes. You were never asked by anybody ever to - sorry - anybody at this meeting at the 16th of December or the subsequent one on the 8th of January - you were not ever asked to misrepresent anything to anybody, were you?-- No. I have no recollection of that being discussed. We were more focused on our campaign.

10

All right. And in particular, David Power has never asked you to lie to anybody, to mislead anybody, to be coy to anybody, to be evasive?-- No. He wouldn't get anywhere.

No. And moreover, while we're on that point, he's never asked you to, in any way, shirk your duties under the Act so far as disclosure are concerned?-- That's correct.

Now, if I could just ask you - could the witness please see Exhibit 18? Just whilst that's coming-----?-- Can I ask what Exhibit 18 is? I might have it here.

20

Oh, I see. It's an email from-----?-- No, I don't

-----Sue Davies to Tony Hickey?-- Sorry, no, I don't.

Just whilst that's coming, by the 18th of - sorry, by the 8th of January 2004, do you say you by then understood there would be some funding or hoped there would be some funding?-- There was talk at the 8th of January meeting if there was some funding to be coming-----

30

Uh-huh. Yes?-- -----would you make a wish list.

Well now the funding in so far as it was coming, did you understand it to be hoped that the funding might come from the business community in general on the Gold Coast?-- That's what was discussed, the business community, yes.

The business community and you understood that to mean the broad business community?-- That's correct.

40

Now just looking at that document, if you look at the second page, it's got "Candidates" and then it's got a list of people who will help?-- Right.

Now those people who will help; are there any of them developers or part of the development industry?-- Look, I don't know all of those peoples names, but I - I - would the Curries be surveyors? Howe - Mr Howe is an engineer. I actually had John Howe do - he did some voluntary work engineering in the surf club.

50

Yes. Yes. Well, Mr Parker's a town planner, isn't he?-- Oh look, I've never met Mr Parker.

What about Mr Bell; do you know him?-- Peter Bell, no. I've never met-----

Dredge and Bell? Do you know that firm?-- Sorry, no. I know Bell Law Group, but that's all.

1

All right. Scott Nind; do you know him?-- I suspect he'd probably be related somewhere down the track to Nind Street. He must be a long time member of the family of the Gold Coast, but I've never met him.

But you know what he does for a living?-- No, I don't.

10

Well, you certainly don't know him to be in the development industry; do you know him to be in-----?-- Oh, if you say he's in the development industry, I believe-----

Pardon?-- If you say he's in the development industry, I'll believe you.

No, well I say he's not, but - you don't know one way or the other is the point.

20

CHAIRMAN: You don't have to believe everything Mr Nyst puts to you.

MR NYST: But it helps?-- I could - sorry, I'll question it.

MR WEBB: Assume he's like a newspaper.

WITNESS: Mr Chairman, I will question it though. That's why I did question it.

30

MR NYST: And Warren Merton; do you know a Warren Morton?-- I have heard of Warren Morton, but not Merton.

Warren Morton's an engineer, isn't he?-- I believe so, yes.

And then if we go to the donors, a lot of those people are developers, aren't they, that you recognise?-- Yes.

Do you know Hoko? Do you know who they are?-- No. I know a Shinko, but not a Hoko.

40

Is Hoko - oh well - City Pacific, they're financiers, aren't they?-- I believe so.

The Airport, that's not a developer, is it?-- No, I think that's where you land planes.

Yes. Village Roadshow?-- That would be Movie World.

50

Movie World. And films and so forth?-- That's correct.

Macquarie Bank?-- Yes.

It's a bank, isn't it?-- Yes. I suspect Heritage is Heritage Building Society. Riviera is the Riviera Marine Group. Quintrex is out there. Mustang is - it could be Mustang Cars, but I suspect it's the motor and - boating industry.

Boating industry and Riviera Marine is boat building, isn't it?-- That's correct. I'm dealing with Riviera and Quintrex at the present time - with the youth facility.

Well that list that you see that has 30 there, would that be consistent with your understanding of somebody going out to try to elicit funds from a broad cross section of Gold Coast business?-- Yes, I don't think being a developer cuts you out from being in the business industry.

10

All right. Now, you were asked also by my learned friend about the meeting with Mr John Fish. It's dealt with, at least in part, at paragraph 4(1)(n) of your statement?-- Yes, I have that.

Now, you were to run in division 3, weren't you?-- That's correct.

And Mr Fish was a major player in division 3, wasn't he, in terms of business?-- I believe so. He had some property in division 3 that he was looking at developing.

20

And he was a major player, if I could call it that, but major business interest on the Gold Coast at the time. He had?-- Oh look, I've known of him being on the Coast for several years.

Right?-- Never met the man until that first meeting. Well, you hadn't met him, but he in fact, you were told, he actually had children at St Stephen's as well?-- My wife had dealings with his children, yes.

30

Yes. And of course Brian Rowe was the headmaster there?-- That's correct.

And he was a friend of John Fish, was he?-- Well, I assumed being a parent, he would have had much dealing with him.

Yes, I say a friend, but I mean he was on friendly terms with him?-- Oh, I suspect he would have been.

40

Okay. Well, you at that time were trying to get around to see as many of the influential people in your-----

CHAIRMAN: Mr Nyst, I really must ask you if - with a question like that, you would have presumably no instructions from your client; isn't it better to ask him whether he was trying to do that instead of putting it to him that he was?

MR NYST: No, I'm referring to the evidence he gave that he was trying to get round to influential people.

50

CHAIRMAN: Well, did he say that yesterday?

MR NYST: Yes, he did.

CHAIRMAN: All right.

MR NYST: Now you were trying to get round to people that had some influence in the division, didn't you?-- Oh, I don't know about influence, but had a presence in the division.

1

Yes?-- I even went to the Dairy Milk depot and met with the PA lady, just to introduce myself. I went out to the dog pound, to the RSPCA. I covered - I went over to South Stradbroke Island.

Yes. But in any event, Mr Power told you, "Well, John Fisher's the person you should probably speak to"?-- Oh definitely and I think I may have written to Mr Fisher as I have done with several other people in the division and I included all those in my documentation to the CMC.

10

Well you went to see Mr Fish and he was - he, Mr Fish, had a complaint about inappropriate behaviour by Councillors, didn't he, when you went to see him?-- Yes, he did, about one particular Councillor, but I didn't pay that much attention to - because I didn't know Mr Fish that well. I took it sort of on notice as I suppose you might put it and it came up several times later during the course of the election and after the election and it continues to come up.

20

He claimed that Councillor Young had something of a vendetta against you, didn't he?-- He did mention it at the time, yes.

And he mentioned it in the context of saying that this was an inappropriate vendetta, not one that was appropriate in terms of his Council duties?-- He hinted at something in relation to an application in Sickle Avenue, over a development that Councillor - I don't think he was a Councillor at the time, but Mr Young took him through the ringers through the Planning and Environment Court and held him up unnecessarily.

30

He said that - back before Mr Young was a councillor, he tried to block the development and then had made an offer to - this is what Mr Fish was saying - whether it's true or not - he was claiming that Mr Young had then made an offer to withdraw his appeal and Mr Fish bought his house for a million dollars?-- Land.

40

CHAIRMAN: Are you reciting the evidence this witness gave yesterday?

MR NYST: No, I'm putting to him-----?-- I - I actually that in my-----

CHAIRMAN: Well, are you - whose instructions have you got this on?

50

MR NYST: It's-----?-- It's in my statement.

It's included in the statement.

CHAIRMAN: Where?

MR NYST: At the bottom-----

CHAIRMAN: Well, that's what I was asking, whether you were reciting his evidence.

MR NYST: No, I'm not reciting-----

CHAIRMAN: So you say it's in his-----

MR NYST: No, I'm not reciting those details from here. He talks here about Fish-----?-- Last paragraph.

CHAIRMAN: Excuse me, witness, will you keep quiet please?-- Sorry, Mr Chairman.

MR NYST: Fish commenting during the meeting on difficulties he was experiencing with Councillor Young, in particular a resort development on Sickie Avenue.

CHAIRMAN: Yes.

MR NYST: Now, this is the - this is what the complaint that he was making-----

CHAIRMAN: Well, yes, are you putting what the witness said was the conversation, what the witness has already given in evidence because that's what you were doing earlier, or are you putting this on instructions?

MR NYST: No, my client was present at this-----

CHAIRMAN: Was Mr Power present?-- That's correct, and - and Mr Rowe.

Okay. Well, the answer is-----

MR NYST: Yes, I'm sorry.

CHAIRMAN: -----you're putting it on instructions; thank you.

MR NYST: This is what he, Fish, was claiming at the time, wasn't he?-- That's correct.

He was saying, "Look, this man's got a vendetta against me because he tried to block - he inappropriately tried to block my development some years ago before he was a councillor and then he wanted me to pay him a million dollars for his house to pull the appeal out and I say because I refused that, there's been some sort of ongoing vendetta"; is that right?-- That's how I read it, yes.

And-----?-- He also went on to say that he had actually had a tape recording but I - to this date I've never heard the tape recording.

Yes, but he was making this complaint to you, wasn't he, in the context of you being a candidate for Division 3 and this being something that you should act on?-- He mentioned it but he sort of alluded to that all he wanted was a fair go.

Yes. Yes, but as a-----?-- He doesn't want any favours and-----

As a councillor - well, you did become a councillor - I take it this would be the kind of conversation you'd have all the time with various members of the electorate?-- Yes, and-----

I don't mean this specific sort of allegation but people saying, "I'm being unfairly dealt with by Council. I want-----?-- Often-----

10

"I think I want a fair go"?-- Often from the smallest things from a dog barking who - someone who's complained to Council right through to development.

Okay. And you, for your part, said, "Well, if I get in, I'll be - I'll ensure that people are fair"?-- I stated that categorically and I actually also stated that if any of your applications come across the table I will be stepping away from that.

20

You didn't make any promise to him other than, "I will do my best to make sure that you're fairly dealt with"?-- That's correct.

And you told my learned friend that you also discussed this deed of novation; remember that piece of evidence?-- Yes, I did.

30

I don't want to go into the detail of it but these were precisely the sort of discussions you would have with any constituent; isn't that so?-- Probably not to the extent of this discussion over such a huge document.

No, I mean, simply in the sense that precisely the sort of discussions in the sense of people complaining about Council and saying, "You as my local member or prospective local member, I want you to ensure that I get a fair go"?-- Oh all the time.

40

Yes?-- I get a lot of State and Federal complaints as well.

You were also asked about Exhibit 53 - we don't need to go to the exhibit - but you were asked about joint campaigns, et cetera. You said in evidence yesterday I think it was, there were groups meeting under the banner of a Commonsense Approach to Council. By that you mean, don't you, that many people in that election race, if I can call it that, were running this theme of commonsense approach?-- Oh definitely. I've quoted it and I think I've made mention of it in my - in the documents that I've supplied.

50

But apart from you and the people that met at Quadrant on the 16th, others were using this theme of the need for commonsense in Council?-- Yeah, and I quote my specific one of the Virgin Army on the 26th of December.

Yes?-- The article on the front page.

1

Commonsense was very much the theme of the day in that election, wasn't it?-- That's correct.

Because in many parts of the community there was a perception that there had been a lack of commonsense leading up to that election?-- That's correct. There were lots of catch phrases. I was using my name "Working Pforr You" and the State Labour Party picked up on that and used it in the State election.

10

And for example, Mr John Wayne who ran against David Power ran a commonsense campaign, didn't he?-- Look, I didn't pay any attention to John Wayne's campaign.

Okay. Well, you were asked about some of the newspaper reports and particularly you were asked about number 68 of Exhibit 3. Well, it's an article which talks about councillors not declaring a conflict of interest at meetings, and you said this, as my note reads, "I don't pay any attention to who the applicant is. I pay more attention to the recommendation of Council officers." And that's true, isn't it?-- That's very much true.

20

In Council, you're - I withdraw that. A large percentage - the overwhelming majority of matters that go before Council follow the officer's recommendation, don't they?-- That's correct and if we have - usually, if we have any change - on some of them that we have had since I've been in Council, we've actually made it harder on the developer.

30

Yes. And you've had more far disputes - since you've been in Council you've had far more disputes with Councillor Young and some others who have voted against the recommendation of Council officers; isn't that so?-- Yeah, it was well and truly debated, yes.

And indeed I think you spoke about Exhibit 34, the Sunland application, and I think you said, "I sympathised with the applicant but I intended to support the Council officers," remember saying that?-- That's correct.

40

Indeed, that's your general approach in Council, isn't it, that unless there's some good reason you follow the Council officer's recommendation?-- That's correct. In most cases but I - in my first week in Council I had a very tough thing to deal with was the Ephraim Island Bridge, the officers recommendation that Council take on that bridge creating a sinking fund and it was to be a special rate put on the rates notice, the officers recommended that Council did take that on and I fought against that action and today Council did not take that on, the State Government have so I actually fought against the developers and got a bit of a basting from them over that.

50

Okay. Well, in summary you have voted in Council according to what you have thought is right and correct and appropriate?-- Always.

And you've never been asked by Councillor Power to do otherwise, have you?-- No.

It's never been once suggested that you do otherwise?-- No.

He didn't recruit you, you've told us that?-- Exactly right.

He never asked you - he's never asked you to misrepresent anything to the press or anybody else?-- No.

He's never asked you to in any way shirk in your responsibilities so far as declarations are concerned under the Act?-- He often mentioned it, make sure you comply, but as I stated earlier in the stand we were often supported by the administration, constant notes telling us what dates and so on and what we needed to do.

All right. Well, he, Mr Power, stressed also at all times that you had to remain independent?-- Yes, I stated that before.

And you always have remained independent?-- Yes.

He has never suggested that you be any part of any voting bloc or voting team or ticket or alliance?-- No, he hasn't and quite often I vote against him anyway. It's not always called for division so-----

Thank you sir.

CHAIRMAN: Mr Webb, are you seeking leave?

MR WEBB: I have no questions.

CHAIRMAN: Mr Fynes-Clinton.

MR S FYNES-CLINTON: I seek leave, Chairman, just on one matter so it's essentially one question. Councillor Pforr, just a matter for clarification - now, this is not my question but the topic we're talking about is the time at which you first became aware of the full list of donors to the Hickey Lawyers trust campaign and you've given some evidence on that so that's the topic?-- Sorry, can you just repeat - when I first became aware of the full list of donors?

That's correct. That's the topic - that's not the question?-- Right. I just want to be clear.

Yes. You gave some evidence that Councillor Young circulated a memorandum which disclosed the full list of donors to the Hickey Lawyers trust account; correct?-- Well, I still question whether that was the full list. To this date I don't know the full list and he did that when I was in Perth on a Council business.

You don't even know if that was the full list of donors?-- No, I don't to this date.

I've got nothing further, Chairman, thank you.

CHAIRMAN: Yes. Just - you realise one of the terms of reference is about any changes that the Commission will recommend be made to these electoral provisions in the Local Government Act so as a Councillor who's gone through an election process as a candidate and you've lived through all the accusations and everything that have been made in this case can I ask you for your opinion on some things just for assistance on it. You say that with Mr Fish because he donated directly to you, you didn't think it was appropriate for you to vote on any of his matters when they became before Council?-- It was a substantial amount of money and I thought within myself it was appropriate not to.

10

All right. And it's-----?-- As an individual donor.

Right. Can I clarify it in that in one part you say that you refrained from voting on any of Mr Fish's application that related to your division and in other parts you've said that you'd refrained from voting on any of Mr Fish's applications; what way have you done it, is it generally or just for those in your division?-- To date I don't think he has had an application come to Council. I'm happy-----

20

Which way would it - do you intend to apply it, is it just for any application that affects your division or is it all - any application over any division within the Council area?-- Look, I'd suggest that it would be across any - the whole lot but I would specifically deal with the ones in my division, I would look at those but if it was straightforward and there was - and the officers were all recommending it I may decide to vote on it. But I think - I'd have to deal with it when it came across my table.

30

I see. So when you've been saying both in the press and here that you would refrain that's on the basis that you mightn't refrain if it was straightforward?-- I think if it was in my division I would refrain from it-----

40

Okay?-- -----for perceptions.

Have you thought about - and what I'm looking at is any recommendations about whether people should refrain with conflicts of interest or whatever - but have you thought about any effect of that? Whether in fact if Mr Fish were say to apply for a development application for some project within your division, you say I refrain from voting on it, you refrain from speaking in favour or speaking against or whatever, you just abstain. Whether that means that the other however many people in your electorate, your division, who voted for you, whether they are then deprived of any right of representation with respect to that development application?-- Look, I hadn't given it any thought but I would like to make some recommendations to the Commission generally about future elections anyway. I would like to have put a submission about-----

50

I'll be very happy to accept any submissions you want to put in on that?-- And I have some points here.

Well-----?-- Dealing with that particular issue-----

Can we deal with this issue firstly, the effect is of course that if you do that it means then your constituents, your electors within your division, are not represented by anyone when that matter is discussed in Council?-- Look, I'd like to take that on notice and get some - give it some consideration and write to you on that.

10

So that's a matter you hadn't given any thought to at all?-- No, I hadn't, but I think just off - considering it right this moment, I think the other - the other 14 councillors would certainly address the application at its merits.

But if someone in your division, because they're the people whose division the project is going ahead in, if they came to you and said, "Look, there are things that are wrong about this application and I would like you to take them on board, to think about them and if you agree with me to stand up and argue on this point in Council and argue against the application" and if you were to turn around and say to them, "Well, look, I can't because I accepted money from this person as an electoral donation and I've said that I will not - I will abstain on any of his matters in my division" that wouldn't be taken too well, presumably, by your voter?-- My - my first recommendations to whoever raised with me would - to seek representation to my other - other councillors.

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30

But they might all say "But you're my - you're the person I voted for." Now, do you see-----?-- Look-----

-----what I mean? It's-----?-- Yeah, look, as I said, I hadn't given it a great deal of thought and I will take it away on notice and - and like to put some suggestions to paper.

40

It's a matter perhaps that people, before they say to people when they're accepting money that they won't vote on a particular matter within their division, should think about. Do you agree?-- Look, I have some other suggestions that would probably wipe that - wipe out the suggestion of funding-----

Can you answer? Do you agree or disagree that it's a matter that perhaps before you give up your right to speak on behalf of your voters you should think about seriously before you agree to give up that right in favour of accepting a donation?-- Well, I would - I would have to accept that but I would also, in the discussions with - if it was a resident who came to me which I'm currently doing on an application at presently with the review of the LAP at Hope Island, John Fish is one of the owners of the - that owns property but his application's not - hasn't come to Council on that.

50

Yes?-- But dealing with the whole area plan it's - I'm dealing - any concerns I'm dealing, giving them to the officers and that goes through a very transparent process, a very lengthy process and is very transparent.

1

So you pass those concerns on to the Council officers?-- Oh, look, I'm doing that on a regular basis. I may not have alluded to that, but as far as my own position was concerned.

What would you do when the LAP, the draft LAP comes up in Council to be debated? Would you-----?-- Well, it has come up already; the first draft has come up.

10

Do you raise those concerns if you think they're warranted or do you refrain because Mr Fish owns land that will be affected by the draft LAP?-- Well, I think in this particular case I can deal with it. It's when Mr Fish's application comes to Council that I would then step away.

But if the draft LAP is changed in certain ways then it might well be of course that naturally the Council officers' recommendations will be totally in favour because it's totally consistent with the LAP?-- We get constant applications outside the LAP currently that the officers have to deal on a constant basis and that's one of the reasons why we're reviewing it.

20

Now, with respect to the other submissions that you want to make, as I said, I would be very happy to receive those from you or any other councillor, can I ask you to put them in writing to the Commission?-- Oh, definitely, very happy to.

30

That doesn't have - there's no - it doesn't have to be done tomorrow. That can be done in the next few weeks?-- Yes. Can I just add something that - there's a couple of points I would like to make on that.

I don't want to go right through all of that now because that'll take up too much time in this part. There will be hearings at a later stage directed more particularly at that. So there's-----?-- I might - I might-----

40

-----general matters-----?-- Sorry, Mr Chairman, I might address those specific items in writing to you because I have some really big problems with the pre-polling-----

Yes?-- -----and the way these were dealt with.

If you address all those in your written submission to us I'd be very pleased to receive them?-- Thank you.

50

Thank you. Yes.

MS HAMILTON: Yes, Mr Chairman, I have no re-examination. If Mr Pforr could be excused.

CHAIRMAN: Yes, thank you, Mr Pforr, you're excused. Thank you for your evidence and your attendance here?-- Thank you very much, Mr Chairman.

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WITNESS EXCUSED

MR MULHOLLAND: I call Gregory James Betts.

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GREGORY JAMES BETTS, ON AFFIRMATION, EXAMINED:

MR MULHOLLAND: Would you just put those down for the moment, Mr Betts, if you wouldn't mind, and just - and we'll deal with that in a moment. Would you state your full name, please?-- Gregory James Betts.

20

And are you a councillor on the Gold Coast City Council?-- I'm the councillor for Division 12.

And you were elected at the 27 March 2004 election?-- Correct.

Did you - do you appear here today under a summons, in answer to a summons?-- I believe so.

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Would you have a look at this, please? Would you just identify that as the summons?-- Yeah, I believe that would be it.

I tender that, Mr Chairman.

CHAIRMAN: Yes, that summons will be Exhibit 73.

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ADMITTED AND MARKED "EXHIBIT 73"

MR MULHOLLAND: Now-----?-- Mr Chairman, can I just make a statement first?

CHAIRMAN: Look, I-----?-- About privilege.

50

Look, I think there's a few formal things we're going through first?-- Oh, sorry, okay, fair enough.

We'll establish those and then you can make a statement.

MR MULHOLLAND: Were you served with a notice to discover information in your possession by the Commission?-- Yes.

And did you respond to that notice by providing a statement together with information-----?-- I did.

-----by way of documents?-- Yep.

A considerable volume of documents?-- A single folder.

All right. Well, now I'd like you to identify this statement, please. Is that the notice that you received and is that the statement that you provided?-- Well, that's a copy of the notice. I've got the notice here.

10

Yes?-- Yes, that's my statement.

All right, and as you say, you also provided information as well with that statement?-- Correct.

I tender the notice and the statement.

20

CHAIRMAN: Yes, those documents will be Exhibit 74.

ADMITTED AND MARKED "EXHIBIT 74"

CHAIRMAN: Now perhaps before you go on to other general questions, Mr Betts might make the statement you want to?-- Mr Chairman, based on the comments made by yourself to previous witnesses, I would like to claim privilege in line - in any line of questioning that relates to how I completed my electoral return form.

30

That's noted.

MR MULHOLLAND: Now, among the information that you provided to the Commission, did you include diary entries?-- I did.

40

Not all of the diary entries but I take it the ones which were relevant-----?-- Correct.

-----so far as you could assess by looking at the diary entries themselves, is that so?-- Correct, I have the diary here with all the entries.

All right, well, would you have a look at this, please. Just have a look quickly?-- Yep.

50

Can you confirm that that appears to be a copy of the diary entries you provided to the Commission?-- Correct.

I tender those diary entries.

CHAIRMAN: Yes, those diary extracts of Mr Betts will be Exhibit 75.

ADMITTED AND MARKED "EXHIBIT 75"

MR MULHOLLAND: Now, can I invite you, Mr Betts, in answer to any question that I ask you, that if you need to refer to that diary, not only the diary entries that you provided to the Commission or indeed any other document that I see you've provided that you've brought along with you today, feel free to do so?-- Thank you.

10

Now, you stood as a candidate for Division 4, is that correct?-- No, that's incorrect, I stood as a candidate for Division 12.

Sorry, Division 12?-- Correct.

When did you make your decision to stand for Division 12?-- Well, difficult to answer that. I made it public at my wife's birthday party in July 2003 but I'd been thinking about the idea for quite some time prior to that.

20

And prior to making that decision you'd spoken to a number of people, I take it?-- Oh, well, no, not really, I made the decision myself, myself and my wife.

Right. You speak about meetings that you attended along with other candidates in the period December, January?-- Correct, at Quadrant, yes.

30

At Quadrant?-- Yes.

Now had you spoken to anyone who attended those meetings in advance of making your decision to stand?-- No, I'd never met any of them.

Is it correct that that birthday party to which you refer occurred in July of 2003?-- Correct.

40

Did you announce publicly that you would be a candidate in the elections of the 27th March later?-- Oh, well, I assumed - when I answered that question I assumed that that was publicly what I announced it to people outside of my immediate family, so that was the time that I felt that it was public announced, but I guess publicly if you want to talk about the general public, it was announced through my - probably my first flyer that went out in November.

50

In November of 2003?-- 2003, correct.

You nominated on 12th February 2004, is that right?-- Well, that could be the case, I'd have to see the document.

All right, well, it's in your statement?-- Okay, if I wrote it in there-----

-----it's attached to it?-- -----that would be it.

1

So I think you can accept it-----?-- I accept that.

-----to say as attachment 1.2.6 of this submission. It's on page 13, "I nominated on 12 February 2004". Now you have agreed that you attended meetings at Quadrant. I want you to deal with the events leading up to those meetings. Did you speak to people in advance of that meeting?-- Are you talking about the people who were at the meeting?-- Yes.

10

The people at the meeting?-- I spoke to Sue Robbins prior to that meeting.

Right. When did you first have contact with Sue Robbins?-- Stand by.

Well, look, can I shorten this. If you go to page 3?-- Oh, okay.

20

At the foot of the page you say this. The flyer that you spoke about, that's the November flyer?-- Mmm-hmm.

Was given to Paul Gamin the previous area councillor by the-----?-- Right. Okay, got that.

And so on. Have you got that?-- Got that.

And you say, "Paul contacted Councillor Sue Robbins and told her about my flyer. Sue had a look at it and my website and she then contacted me. We talked and we discovered that we were 'like-minded in our opinions to many issues'."?-- That's true, but I wasn't aware that Paul contacted Sue at that point. I found that out later.

30

Right. All right. Well, you contacted Sue Robbins anyway?-- No, Sue contacted me.

Okay. Well, you had contact with her and you found out that you were like-minded?-- Correct.

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And the way in which you explain it in this material is, "She made the decision that I was someone with common sense and was worth supporting"?-- Correct.

All right. So is that what you mean when you say like-minded?-- What - what I meant by that is that we discussed issues, probably council type issues, and we agreed on a lot of things, town planning type stuff, and we were talking about development in general, how the Gold Coast was, you know, starting to explode development-wise and ways that I guess could be try - not try to slow it down but, you know what I mean, try to get better outcomes, I guess. I talked about my ideas of what good development was and she thought I had good ideas.

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Did you have at this stage the view that the development which was occurring on the Gold Coast should be slowed down so as to make sure that the infrastructure was right?-- Well, that was my personal opinion, yeah.

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And did you discuss that with her?-- Yeah.

And she had a like view, did she?-- Similar, yeah.

Yes. So did you discuss in the context that you had with her leading up to the meeting anything in relation to campaign funding?-- Leading up to the meeting she called me and she - after - I had an initial meeting with her and we sat in her car and we talked for about an hour. After that I can't remember how many times I spoke to her, probably not - not a lot because I mainly spoke to her on the phone, it probably would have been two or three calls after that until the Quadrant meeting, but one of those calls she said to me there was an opportunity to go along and listen to some people speaking and there may be an opportunity of getting some funding.

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The way in which you put it at page 4 of your submission to the CMC is this. You say that you - you say, "Sue Robbins became a good friend during the election campaign and we spent many hours discussing strategies over the phone at night."?-- Correct.

How many contacts would you have had with her prior to the first of the Quadrant meetings?-- Well, as I just said, I would say that maybe two or three calls. I'm just guessing here because I'm not sure what the difference was in time. I think it was the 27th of November I think she first contacted me.

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Yes?-- Around that period, and then the Quadrant meeting was about 16th of December I think we ascertained.

Yes?-- So there's - there's about two weeks. In that time there may have been three phone calls, I suppose.

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Yes?-- I'm just guessing at that.

Well, you - if you go to your diary entries that you've provided to the Commission you have an entry for the 27th of November, "Called by Sue Robbins"?-- Yeah, I put that in later because I worked out - the only reason I knew it was that day was because that was the day we were moving house and I was moving all my stuff out of our bedroom and she phoned me and I think I've got a notation at the top of that page, "Moved" or "Moving" or something - "Moving house", something like that, and that was the only way-----

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You've got - you've got there, "Move"?-- Move, yeah, moving house. So that was the day we were moving house. That's the only day - the only reason I remembered it, that was the day she called me.

So when did you put that in?-- I put that in before I submitted that to the CMC, just to remind me and you that that was the first day that she called me.

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So we're talking about after you'd received the notice to-----?-- Oh, yeah, yeah. Yeah.

-----present this material?-- Yep.

All right. But you're certain of the date, that that's-----?-- Definitely, yep.

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-----the first time that she contacted you?-- Yeah, because it was such a significant day for me I knew that basically she was taking up time when I was busy.

So there were a few telephone calls and there was a time when-----?-- There was one meeting.

Sorry?-- Sorry, go ahead.

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And there was a meeting that you had where you sat and talked?-- Correct.

About issues?-- Yeah.

Again, that - did that involve any issues relating to funding?-- Not at that meeting, no.

So this-----?-- Because that was the first time that I'd met her after that initial phone call and the first time I'd spoken to her, I think, she said, in the initial phone call, that she'd like to meet me-----

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Yes?-- -----so we arranged a time or maybe she called me back and said, "I'd like to meet you at such and such a time and such and such a place and we can talk".

All right. "She introduced me to a meeting of candidates at Quadrant Advertising Agency where it was suggested that there could be some funding available for us if we were interested."?-- That's right.

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Is that at the first meeting at Quadrant?-- 16th of December.

Right. Now how can you be sure that that was the first meeting?-- The first meeting at Quadrant?

Yes?-- Because I've got a diary note.

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And you've checked your diary carefully; is that right?-- Yeah.

And you're quite certain that there was no earlier meeting?-- No - well, no.

There was no meeting, for example, in November?-- No, definitely not in November, no.

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Now what you have for the 16th of December in your diary is, "Chris Morgan, Quadrant" and an address-----?-- Yeah, that was as a result of a phone call from Sue. She gave me those details and I wrote it into the diary as she spoke to me, I guess.

Yes. All right. And who else was present at that meeting?-- Well, I've heard some confusing stories here but there was Sue. There was-----

10

Now just before you go on?-- Yep.

So far as these confusing stories, you've been sitting-----?-- Yes, I know.

-----you've been sitting here in the back of the-----?-- I would rely on-----

-----hold on, hold on, please, please let's not talk-----?-- Okay, sorry, go ahead.

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-----across one another-----?-- Okay.

-----because otherwise the record will be unintelligible?-- Okay. Fair enough.

Have you been sitting here in the hearing room since the commencement of the inquiry?-- Correct.

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This week?-- Correct.

All right. Can I, therefore, urge you, in giving your evidence, not to be affected-----?-- Yeah.

-----by what you have heard except insofar as it may revive your memory in some way?-- Yeah.

Can you do that?-- I'll certainly do that.

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Now-----?-- And I'll be relying mostly on my submission because that was my recollection and I don't want to be confused with other things that I've heard-----

All right?-- -----prior to-----

Well, let me ask you this; were these people present and I'll mention all of them by name and you tell me if you disagree of them not being there or being there?-- As you go or at the end?

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No, no, at the end?-- Okay.

Power, Robbins, Shepherd, La Castra, Grew, Pforr, Rowe and Scott?-- La Castra and Grew, definitely were not there.

How is it that you can say that?-- Because I met them for the first time later on. Bob La Castra called me the day after

the election and that was the first time I'd ever spoken to him.

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Right?-- And Jan Grew, I met - I had had email contact with Jan Grew. I'd never met her and then I met her later in the election campaign.

Did you know before the election was held on the 27th of March whether they, that is, Mr La Castra and Ms Grew, were like minded candidates?-- No, I didn't know anything about them.

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Right. So when it did become public and they were linked with the group, that came as a complete surprise to you?-- No, because - as I said, I had a number of numerous conversations with Sue throughout the election campaign and she possibly mentioned that Roxanne Scott had known Bob and that probably may have been where I might have heard of Bob otherwise.

Right. So-----?-- But Jan Grew, never heard anything about her.

20

So you never heard anything about her whatsoever until after the election?-- Well, until I went to meet her prior to the election.

Prior to the election?-- Yeah.

All right. Did you know that she was one of these like minded candidates prior to the election?-- Well, I don't know what you're talking about.

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Well, it's your turn; you have said that when you met-----?-- Where is this?

Hold on; you have said in relation to Sue Robbins-----?-- Yes.

-----that you discovered with her that she was like minded?-- Yeah, that's got nothing to do with Jan Grew.

Right. Well, that's what I'm asking you?-- Okay.

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Did you discover, at any stage, that she was a like minded candidate?-- Well, I don't know exactly what you mean by a like minded candidate. I spoke to Sue Robbins-----

I mean it - let me explain-----?-- Okay. Go ahead.

-----so that you can answer the question?-- Okay.

I mean it in the sense in which you have explained it in your submission to the Commission, that is to say, Sue Robbins saw you as a like minded candidate?-- No, I believe, I said I saw Sue as like minded with me.

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Right, well-----?-- But, I - I didn't speak to Jan Grew, so how would I know that she was like-minded to me.

All right. What about Mr La Castra?-- No. I didn't speak to him until after the election.

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What in fact you said in relation to Sue Robbins, at page 3, is this, "We talked and discovered that we were like-minded in our opinions to many issues"?-- Mmm-hmm, correct.

That's what you said?-- Correct.

Does that reflect the position?-- That - that reflects the position between myself and Sue Robbins.

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And also that you were someone with commonsense and was worth supporting?-- That's what she believed.

Right. Now, you go on to say, on the next page, this is in relation to this meeting, "I was keen to know what the catch was because I would not accept money with any strings attached. I was told that the business community was sick and tired of the squabbling within the ranks of our Council and believed that it needed fresh blood. Decisions were put off because they were controversial and the city was stagnating politically. The councillors that were present advised us that we would not be expected to vote on issues in any particular way. What was needed in the city was a few more people with a bit of commonsense. We were not going to be a group or party, we were all going to be independent. This was highlighted..", et cetera. Now, what you seem to be saying is that this group was all of the same mind in the sense that you saw one another as people with commonsense. Is that correct?-- No. That's incorrect.

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That's incorrect?-- Yeah.

Right. Well, what are you saying?-- I'm saying that we went to that meeting independently, walked out of it independently and those people who were there, those councillors, were saying that the business community was asking for candidates who had commonsense.

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Right?-- Now, we had no relation to each other and I wouldn't know what those other people were like.

Well, what were you doing at this meeting Quadrant then?-- I was going there to see an opportunity to get some funding.

Some funding?-- Yeah.

But, why this particular group of people were receiving funding and not some other group?-- Well, I don't know. Sue - Sue-----

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Oh, Mr - Mr-----?-- Mr Betts.

-----Mr Betts?-- Yes?

Did it not enter your head as to why this group was brought together for a - for a discussion involving a number of

things, but including the question of funding?-- Well, I - I would assume-----

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What was uniting this group, you see. Why - why-----?-- Well, hang on, we can't talk together here.

-----were you there? Why were you there?-- I was there to hear about an opportunity to get some funding. Now, I would assume the rest of them were there for the same purpose. I don't know, I didn't ask them.

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So, what did you believe was the uniting force so far as this group of people were concerned. Why they were brought together rather than some other group?-- Well, I don't know. I guess if - you would have to ask the people who invited each individual person that came there.

No, how did you see it?-- I didn't see it as anything in particular. I - I went there under the invitation of Sue Robbins.

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Now, when the question of funding came up, who raised it?-- It was probably Sue but it may have been Chris Morgan. It's - it's hard to say.

Of the people that I read out to you earlier, apart from Mr La Castra and also-----?-- Jan Grew.

-----sorry?-- Jan Grew.

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Yes, Jan Grew. Apart from those two, were all of the others present?-- Yes, I believe so and I also believe that Councillor Pforr's wife, Liz, was there but I didn't put that in my submission, I'd forgotten that.

Exhaust your memory for us in relation to what happened at this memory - at this meeting?-- Oh, okay. Well, we - we went into the - the room, it was a boardroom, a big board table. I remember that we all individually stood up and said a little bit about ourselves, about our campaigns, and, you know, what division we were running for and that sort of thing. What we'd done so far. I - I think Sue - I think Sue introduced me to the group. David, Sue and Ted were sitting up one end of the table together. The candidates were down the other end, or sort of around the table. Chris Morgan was over the other side pretty much by himself and he sort of led most of the conversation. Sue - Sue tended to butt in a bit which she does, or did. There was discussions about bad publicity about the Council, various councillors causing, you know, ruckus within the Council itself, throwing agendas, blah, blah, blah, and so on. They talked about-----

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Well, just before you leave that particular item, did anyone go on to say something in relation to those present as to whether or not they were needed in order to, as it were, act as a counterfoil to these people who-----?-- No. No, it wasn't-----

-----had this view?-- It wasn't that; it was just more the fact that - and this is probably a generalisation - but it was more the fact that we were considered to be sensible people and there were others in the Council who weren't.

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People with commonsense?-- Well, I guess that was the term that was used, yeah.

Right. Like-minded people?-- I don't know that that term was used there that day but commonsense definitely was.

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Like-minded insofar as you people were seen as having commonsense?-- Well, I don't know that that makes you like-minded, it means you all have commonsense, but I would agree with the fact that we were all considered to have commonsense. I wouldn't know if the other people did, though. I didn't-----

Now, I interrupted you. You go on and tell us anything else you can recall?-- Okay. So Chris Morgan tended to talk - being an advertising man, he talked about campaigning and, you know, what - what Quadrant could produce as far as different advertising items. The councillors talked more about door-knocking strategies and, you know, may be how to put a press release, something like that. I'm not really sure on that but they - they talk more about their own election material and they may have had some there on the - on the night and showed it to us. And they - they just talked about, "Well, this is - you know - these are successful techniques in - in running a campaign" and you know, there was an argument there between I think it was Sue and Ted and you know, they laughed about it and said, "Well, you know, there you go, we - we argue about things but we can get on with it and act professionally."

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Right. So did any of the people seem to know one another well?-- I - well, I didn't really know anyone so I sort of got the impression that there were a couple of people that knew each other but-----

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How long did the meeting go on for?-- An hour, maybe an hour and a half.

Were you satisfied at the end of it that you knew why this particular group of people had been brought together?-- Well, only that they had been brought together because they had been invited by someone for the sake of the opportunity to get some funding.

So you didn't know who had invited them?-- Not individually but I assumed that since I had been invited by Sue, others must have been invited by either Chris Morgan or one of the other people there.

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Now, "There could be some funding available for us if we were interested." Was that all that was said in relation to funding?-- Look, there was talk of the funding but I don't really recall whether it was the first meeting or the second

meeting there was talk of setting up a trust fund so that it would be at arms length, and I really - I had the feeling that it was at the first meeting because the whole - the whole idea of the meeting, from my point of view, was that I was being invited to go along, hear a proposition, and make a decision on whether I wanted to go any further with it, and Sue said that to me. She said, "Look, you know, here's - here's an opportunity for some funding. You can take it or leave it. There's no" - she said - she wanted to help me anyway and she would still help me in my campaign whether or not I wanted to go ahead with what was being planned on that night so-----

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Yes. So it didn't depend on you saying yes to the funding?-- Her help to me, no.

And you believe that at this first meeting it was suggested that the funding would be available or could be available if you're interested and also some mention was made of a trust fund?-- I - I believe so.

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What was said about a trust fund?-- Well, look, what did I have for dinner that night? Who knows. You know, I mean, I know that it was - it was the reason why I was there, so it was in my opinion brought up but the only thing that I can remember - I don't know exactly what the detail was but I remember the fact was that the idea was - that was behind it was that the trust fund would be set up in a similar way to State politicians and even the - the current Mayor of the day, Gary Baidon, he had a trust fund set up so that you could have campaign donations but it could be at arms length from the donors so that you wouldn't be tapped on the shoulder once you are elected and in Council and asked for favours.

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Did you know how these trust funds to which reference was mentioned had been set up?-- No.

Well, did you know whether in relation to those trust funds that you're speaking of there was a written instrument?-- What do you mean by that?

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A written document saying who was the trustee and who were the beneficiaries?-- Oh, probably, I didn't really take much notice of the detail.

So-----?-- I assume what you're saying is that was I aware that a trust fund is a legal document and you have to have trustees or whatever, yes, I'm aware of that.

No, what - well, okay, you're aware of that, so when reference was made to what had happened in relation to or what was believed to have happened in relation to Mr Baidon and what had happened - what was happening in relation to political parties, you took that to be a reference to a written trust deed, did you?-- To - sorry, to a written?

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A written trust deed?-- Trust deed.

Yes?-- I guess so, a trust fund, yeah.

Now when you a moment ago said it was the reason that you were there, are you saying that the principal reason why you went to this meeting was in order to get funding?-- That was - that was the offer, yeah, to go over there to listen to an opportunity to get some funding.

Right, and did you ask or did anyone ask why this group of people?-- I don't believe so.

Did you ask at this meeting or did-----?-- Well, hang on, I think it was mentioned on the night that, you know, these - these people were people who were believed to have commonsense, because as I say there was talk about the current Council of the day and how there was problems with various councillors and, you know, presentation-wise at the city, I mean, and that I guess we were seen to be people who had commonsense; I think that's where it came up. We were going to be supported on that basis that we had commonsense.

Right. Now, did you ask any question in relation to where the money would be coming from?-- Well, I - well, not specified donors, no, because that was the whole idea that I wouldn't know that, but-----

Who said that?-- Sue told me that, because that - that was the whole reason I accepted it, because I wouldn't know who the donors were.

When did Sue first tell you that?-- I would say it would've been - it was either at the meeting or after that meeting. I don't know whether that sort of detail was discussed at the meeting, but definitely afterwards. Did you ever suggest to Sue that you'd like to know who provided the funding?-- No, I didn't want to know.

You didn't want to know?-- No, and - and even - there was a meeting and we'll probably get to that later, but there was a meeting where they talked about meeting the donors. Well, I - I sent an email and I've actually got that now. I had some problems with my emails, but I've got the email where I - I sent an email to her saying, well, you know, Chris Morgan said they've got this meeting coming up with the donors. I don't think that's a good idea and she said, "I don't think it's a good idea either and don't go to it."

You're referring to the meeting to which you received invitation two days before the election, a meeting that was going to occur on Thursday, 25th March. Is that the one that you're referring to?-- I don't remember the date but it sounds like it.

All right, well, just come back to this-----?-- Yes.

-----first meeting that you attended at Quadrant?-- Okay.

You didn't ask any question because you'd had a conversation with Sue-----?-- Yep.

And you didn't want to know where the money was coming from?-- I - well, as I say, I'm not sure if that was discussed at the meeting but I believe a trust fund was discussed at the meeting and I don't know whether the - well, the - the anonymity of the trust fund was made clear because that was the whole idea of it.

The anonymity of the trust fund?-- Well, when I say the trust fund, of the donors.

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Right?-- Right.

So that was made clear at the meeting you think?-- Yeah, yeah.

By?-- Well, I think it was Sue but it could've been Chris Morgan, I'm not sure.

Right. One or the other of them?-- Yeah.

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Now you in your division, Division 12, you're in the Burleigh Heads area?-- That's right.

And the question of development in Burleigh Heads was a live issue during this campaign?-- Very much.

Wasn't it?-- Very much so.

Now, did you think that this would create any problem for you if it turned out that there were developers contributing to this trust fund?-- Well, as I say, the - did you say if I found out?

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Do you understand the question?-- No, you better say it again.

Did you think-----?-- Just the last bit.

-----having regard to the concern of the people of Burleigh Heads-----?-- Yeah.

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-----concerning development and developers?-- Yeah.

Whether it might raise a concern for you if, as it turned out, developers were donating to this trust fund?-- Yeah, sure, and I think I put that in my submission that when I-----

Well, forget about your submission. I'm asking you now to deal with-----?-- Yeah. Okay, well, the answer's yes.

Right. So what did you do about that concern?-- Well - sorry.

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I mean, people would find out in due course, wouldn't they?-- I didn't believe so.

Right?-- And you're assuming that it was developers that were donating. I wasn't.

So you - you had this view of this meeting and the way in which the funding was arranged, this would be set up like a trust fund available to political parties?-- Yeah.

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And the people that benefit would never get to know the names of the donors. That's what you believed?-- Well, that was my understanding. It was just said that it would be a cross section of businesses and we wouldn't need to know who the donors were.

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Right. So you believe that - I suppose you had some knowledge that you'd be required to put in a return afterwards declaring any gifts that you'd received?-- Well, very limited but Sue did advise me that I would have to - I would have to put the trust fund on an electoral return or something but I wouldn't need to list donors. I wouldn't need to know that.

What had you done in order to find out what your legal obligations were between July when you decided to - or you announced at the birthday party that you were going to run, and this first meeting in order to find out those obligations?-- Between that time I went to a State Government night, I think it's been spoken of before, where they talked to potential candidates.

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Right. Is this the - is this the night that was spoken about by Mr Pforr?-- I believe so, I don't remember him being there but.

Right. So you went along to that. Was any literature handed out?-- I'm not sure.

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He referred to a glossy brochure, you may remember?-- Yeah, I - I may have got it but I don't remember it.

Right. Well, was there anything worth reading that you were handed?-- Well, I may have scanned it but I didn't keep it.

Right. So just deal with that then?-- Okay.

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Did you have any knowledge at all as to what your legal obligations were concerning gifts or donations made in relation to you for your campaign prior to going to this meeting?-- I didn't take a lot of notice. If there was anything - the only thing would be I actually - I think I got something off the internet as well, from-----

Was that the handbook?-- Well, I don't know. It was something that I went on to the State Government site and I got something off there. I don't know the details of it because in my mind I wasn't going to get any funding. I didn't see that anyone was going to donate to me, so I didn't take any notice of that stuff.

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Well, you remember me showing a-----?-- Yeah, I know the booklet.

A booklet?-- But I don't remember seeing it.

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Well, did you ever see it during the campaign?-- I can't say that I ever did. I may have, but I-----

How did you find out then, how did you find out as to what your legal obligations were?-- The - when you nominate with the council as a candidate they give you a booklet and that had a lot of detail, the Local Government Act and so on in that.

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Right. So not until when you nominated did you - is that the official nomination?-- Yep.

So it wasn't until you officially nominated that you had any knowledge really at all about what your legal obligations would have been?-- Well, only - only the advice I'd received from Sue. I didn't take any legal advice.

Right. So did Sue perhaps tell you, look, what you can do - what you have to do is to put in a return after the election. Did she tell you that?-- Yeah, I think she - she explained to me, once the election's finished you have to put in a return and you'll have to name the trust fund on it but you won't have to put the donors on it.

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Right?-- You won't need to know who the donors were.

Right. That's the way she explained it to you?-- Oh, maybe not in those words but that's the impression.

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Right. And what about so far as any third party return; did you know about third party returns?-- Oh, I may have read it, but-----

Did you know whether or not the so-called trust fund might have to put in a third party return?-- Not really, because-----

So you - sorry?-- Thank you. My understanding was that I would never have to know who the donors were. So I believe now, after hearing previous evidence, that a third party form must be put in. But even - even if it was done that way I still wouldn't have to go and look at it if it was submitted to the Council. So I still wouldn't need to know who the donors were.

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Did - you must have been then highly embarrassed when Mr Ray blew the whistle on what actually had occurred three days out from the election. That must have come as a great shock to you?-- I wouldn't say embarrassed. A great shock, that's probably a good word, yes.

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Indeed, you had gone out of your way, hadn't you, during your election not to mention that you were receiving funding that could possibly have come from developers?-- Oh, well, no, I didn't - I wouldn't say I went out of my way to do that.

Did you ever say during your election campaign up until the time when Mr Ray exposed publicly what had occurred and that was published in The Bulletin did you, up until that time, ever say that you might have been receiving money from developers?-- I didn't know that.

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No, well-----?-- So I wouldn't have said it because I didn't know it.

You wouldn't have said it. Were you asked questions during the - during your campaign in relation to whether developers were funding you?-- Towards the end of the campaign I was asked a question from the Friends of Burleigh by e-mail and-----

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This is before the 27th of March?-- Yes, probably a couple of days before.

Yes?-- Just excuse me a minute. I'll see if I can find that section. Okay.

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Is this before or after The Bulletin had published what Mr Ray had said?-- I - I'm not really sure. I think it-----

What date is it?-- I think it was before. Well, this is actually off the Friends of Burleigh website, so I'm not sure of the date.

Right. Well, we don't know whether it's before or after the election, do we?-- Well, I do. I'm telling you it is.

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Right. And what was the point you want to make, Mr Betts?-- Well, you're asking me whether or not I - I mentioned anything about my funding. I'm about to answer you.

No, in relation to developers, is what I'm interested in?-- Well, the question is about developers.

Yes. And what did you indicate?-- Well, would you like to hear the question?

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Yes?-- Okay.

Yes, if it's relevant to what I have asked you?-- Well, it's to do with developers. I believe that's what you're asking me.

Go on?-- "Funding", which is a topic of many different topics on this e-mail: "We believe voters have a right to know about the funding of candidates before the election. Will you be releasing" - this was actually sent out to - well, it was sent out to me but out of eight candidates I don't know how many actually got this from the Friends of Burleigh because I don't know how many were actually members, but anyway - "Will you be releasing your funding before the election? There have been rumours that some candidates may be funded by developers. We believe rumours are not fair to the candidates and that rumours should be stopped. Are you being supported by

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developers? Do you know of any candidates being supported by developers? If so, which candidates and which developers?". My response was: "I believe that it would be better to change the system so that all funding for all candidates is declared before the election. My wife and I have spent thousands of dollars on my campaign and we have received support from friends and businesses. All the details will be supplied to the requirements of the law."

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Right. So you didn't say anything about developers?-- I didn't know anything about developers.

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But you would have known that the money that you were benefiting from may well have come from developers?-- That would be a guess. It could be coming from any number of businesses.

It'd be an educated guess, wouldn't it?-- Sorry?

It would be an educated guess?-- Well, what I'm saying is it could have come from any number of businesses. Why would I pick developers?

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Just that document that you have produced there, perhaps we'd better tender it?-- I think I already have, but anyway you can have this.

You mean you've provided it to the Commission now that you have referred to it?-- Oh, tender it, okay.

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Just the document that you were reading from?-- Okay.

How many pages is it?-- It's three pages.

Is it undated?-- Yes, it's undated. It's just come off the website.

All right. I tender that, Mr Chairman.

CHAIRMAN: yes. So on their website they published their e-mail to you and your reply. Is that what you're saying?-- Yes. I do have the e-mail in my records now. I received them yesterday, but it's-----

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MR MULHOLLAND: All right. Well, leave it for the moment. We might come back to it as to what's-----

CHAIRMAN: Well, if it's in here we can take it through this. That's okay?-- Yeah, there's no date on that though. Sorry, look, I only received my e-mails yesterday from you, from the CMC. They - they had to find my e-mails on my computer because the hard drive died. I had to reinstall all the software-----

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I see?-- -----so I submitted my computer and they've - they've found them but they only got them yesterday so I've only just got that stuff back.

MR MULHOLLAND: Yes. There will be more - some more evidence about that, in due course, Mr Chairman.

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CHAIRMAN: So this will be Exhibit 76, I think, thank you.

ADMITTED AND MARKED "EXHIBIT 76"

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MR WEBB: Sorry, I've lost the-----

MR BOYLE: I've got 76.

MR WEBB: Oh, yes, 76, no, that's right, I have got the-----

CHAIRMAN: Thank you.

MR MULHOLLAND: Now-----

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MR WEBB: Mr Chairman, I don't want to interrupt unnecessarily but does this mean we're getting some further documents that have been salvaged from a failed hard drive.

CHAIRMAN: Look, Mr Webb, not much good asking me. I don't know.

WITNESS: I've got them.

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MR WEBB: Well, perhaps I should be asking my learned friend, Mr Mulholland-----

CHAIRMAN: If - it sounds as if they've only recently been able to be recovered, Mr Betts?-- Only yesterday.

MR WEBB: Oh, well, I'll take it up later. I apologise.

MR MULHOLLAND: Now staying with this question of developer funding, did you think that there might any possibility, this is at the time that it was first discussed, the question of the funding and the trust fund, you would have, at least, considered the possibility that the people who might be donating through this means were developers?-- Yeah.

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You must have considered that, Mr Betts?-- Yes, sure, it could have been any number of business.

Right?-- It was - I was told it was a cross-section of businesses so that would include all sorts of businesses including developers possibly.

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Right. Now you regarded yourself because of the way in which it was going to be structured as protected in the sense that you would never know who donated the money-----?-- Correct.

-----so you'd be fine?-- Correct.

And what about - did you consider the other side of it as to whether or not the developers might know that they were donating to your election campaign? Did you ever consider that possibility?-- Yes, I did actually. In-----

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Now if - did you also go on to consider this possibility that the - one or more of these developers, if they contributed to this fund, might at some stage in the future after you were elected approach you and tell you that they had donated?-- Yep, I did.

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Right. Well, what did you do about that possibility?-- I didn't do anything but I knew that if someone came and knocked on my door, I could say to them, "I don't - I didn't know who donated so leave".

All right. Now did you go away from that first meeting at Quadrant with the belief that all of the people present had a like mind to you in relation to this question of funding; they were quite happy to accept funding on this basis?-- No, that wasn't the idea of the actual meeting. The idea of the meeting was to put the proposition to us. This is my understanding and Sue said to me, "You know, go along and listen to it and then tell me at some later stage whether you're interested in accepting the proposition".

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When was the name of this trust fund first mentioned, to your recollection?-- Do you mean the Lionel Barden Trust Fund?

Well, whatever trust fund you're talking about?-- Well, I referred to it in my discussions with Sue as the trust fund.

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The trust fund?-- And then it started to come out in the newspapers that it - well, actually Sue did say to me that they were going to get Lionel Barden to put his name to it.

Right. So when did she first say that to you?-- Oh, gee, I've got no idea. It was after the second meeting, I know that.

After the second meeting?-- Yeah.

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Yes. And what date? Give us approximately?-- No, can't give you a date.

Can you tell us when the second meeting was?-- Well, I probably got it in here somewhere, I believe, about the 8th of January; is that correct?

8th of January?-- I think so.

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All right. Well, have a look at your diary-----?-- Okay.

-----and confirm that for us?-- Diary is 2.1; 8th of January, 8.30 a.m. commonsense council candidates meeting at Quadrant.

Right. You've actually attributed a name to it?-- Yeah. That's what Chris Morgan said.

That's what he said?-- Yeah.

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What, did he say it in some literature?-- No, he used that term on the first meeting, I think.

So that's why you put it down as commonsense council candidates meeting?-- Yeah.

Yes. You didn't make reference to this by reference to the trust fund? You didn't say anything about the trust fund?-- What, in my diary?

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Yes?-- Why would I?

Did you know it by then?-- About the trust fund?

Yes?-- Yeah.

So you knew, as at the 8th of January, that there was a trust fund and that it was going to be Lionel Barden?-- No, I didn't know at the 8th of January that it was going to be Lionel Barden.

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When did you find out that it was going to be Lionel Barden?-- That's what I just told you, I don't know. It was sometime after that.

Were you not interested in knowing what the name of the trust fund was?-- No. Why would it bother me?

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Weren't you interested in ensuring that there was actually some kind of trust document having in mind-----?-- No.

-----what you understood to be the case in relation to Mr Baildon and in relation to the political parties?-- No, I knew that that was being handled by Sue.

Wouldn't that be a commonsense approach, Mr Betts?-- Well, you got me on that one.

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Well, what's your answer?-- Well, I guess from a legal sense, you're probably right but I wasn't thinking about that. I - I trusted Sue. She said it - it was all being sorted out so I just believed what she was doing-----

Were you concerned to ensure that in regard to your campaign for the March 2004 elections that you did things by the book?-- Yes.

That you complied with your legal obligations?-- Definitely, yeah.

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So when a trust fund came up and it was explained to you, didn't you think it might be worthwhile asking a few more questions about it?-- No, she had plenty of experience. I - I trusted in what she said. I wasn't a politician; she was.

Now, tell me this: did you ever hear a mention of a Lionel Barden commonsense campaign fund before the election?-- Well, I read about it in the newspaper.

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Is that the only way which you heard of it, reading about it in the newspaper?-- Probably.

Did you-----?-- I-----

Sorry?-- Go on.

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Yes, did you want to add anything?-- Only that Sue had told me that Lionel Barden was going to have his name on - on the trust fund so at some point - I don't know whether she said it was going to be called The Lionel Barden Trust Fund but she said that he would be the trustee or something like that. I didn't know Lionel Barden so it didn't mean anything to me.

And so you didn't ask any questions about who Lionel Barden was?-- She said - well, I probably said, "Who's Lionel Barden?" And she says, "He's a well-known businessman" or something like that. It didn't mean anything to me.

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No question like, "Is he connected with developers?"-- Oh actually I think she might have said he - he was the former head of the Robina Chamber of Commerce because my understanding was that all of this was to do with Chambers of Commerce and as I say, a cross-section of businesses.

Did you ever hear, prior to the 27 March election, of the name Gold Coast City Council Election Campaign Fund?-- No.

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Did you ever hear, before the 27 March 2004 election, the name Lionel Barden Candidate Resource Trust Account?-- I don't think so. That sounds like a term that's on a - on a receipt or something like that. It may be on my Quadrant receipts.

Did you ever hear of a Lionel Barden Trust Account prior to the 27 March election?-- No.

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You didn't?-- No.

At this second meeting on the 8th of January, can you tell us, please, first of all, who was present of those who were present at the first meeting-----?-- Well-----

-----and anyone else?-- Okay. Well, I - I remember David Power was there because he was wearing a pair of short jeans and thongs and he had a doctor's appointment to go to so he had to leave early and his kids were there, and you know, I remember a lot of things about him, although I didn't really speak to David Power all that much even at the first meeting. He said things to us but I never really - I was introduced to him and that was about it.

50

Was he one of those who did a lot of talking at the first meeting?-- Oh he - he talked. I wouldn't say he did a lot of talking. Sue talked-----

Who did most of the talking at the first meeting?-- I - I think it was Sue and Chris Morgan.

Right. All right. You're dealing with the second meeting now?-- Yes, so there was-----

Mr Power was present?-- There was - David Power was there for a short time, myself. I believe Roxanne was there because I'm sure she was sitting next to me that day, and Grant - I think it was Grant Pforr was there. Now, initially I didn't think Sue was at that one but I seem to remember Sue standing and looking at Roxanne. I think she was wearing a red dress and Sue said, "Oh you look like a good Labour Party girl wearing a red dress" and I didn't realise that that was a joke. I thought maybe she was a Labour Party girl. I didn't realise she was in the Liberals.

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Yes, okay?-- But that - I don't know if Rob Molhoek was there - maybe. Brian Rowe, maybe, but not really sure.

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Right. Well, you were certainly there because you can say it from your diary?-- I think so, yeah.

Right. And what was - exhaust your memory now in relation to what occurred in this meeting?-- Well, this meeting was where Chris basically - he - and this may be where Roxanne's confused but he talked to us one-on-one. He - it wasn't like it was a meeting as such; it was a discussion one-on-one with Chris Morgan but we were all in the same room at the same time and he was asking, I guess, each individual what their requirements were for election campaigning.

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Yes?-- And I think that I was last and he sort of raced through mine because I was last and he was in a hurry.

Right. And what were you told at this meeting?-- He basically said if - "If you could ask for a wish list, what would you want to have as far as advertising goes?" And you know, I had no idea what - what you normally do as election advertising so I just talked about, you know, election signs, you know, the core flutes, the how-to-vote cards. I may have mentioned to get some T-shirts printed up or something like that but that was the extent of the conversation from my memory.

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Right. This was the one-on-one with Mr Morgan?-- Pretty much, yeah. I mean, there may have been some interjection from some of the others suggestions but it wasn't when it was my turn because I think the others had left when it was my turn. Roxanne may have still been there but, you know, when he was talking to one - one or two of the others I may have suggested something or - or whatever but it was basically a one-on-one. The others were in the room at the same time waiting their turn.

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Now, was any update given concerning this trust fund that you had heard mention of you believe at the first meeting?-- Look, I - I don't remember it happening. There may have been some

talk of potential donors making commitments or something like that but I don't remember any specifics about-----

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Who may have mentioned that?-- Either Chris or Sue.

Sorry?-- Chris or Sue.

Chris or Sue?-- Chris Morgan or Sue Robbins.

So, again, it was Chris and Sue who did most of the talking?-- Yeah, David had to go outside. His boys were outside feeding the ducks or something at the - at the pond and he - he had a cold or something. He was going to the doctor and he, every now and then, would keep going outside to his sons.

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So at the - at both of these meetings, so far as your recollection is concerned, Mr Power didn't say much?-- Oh he did - he did talk at the first one. Him and Ted and Sue and Chris, they - you know, they all talked but when - when they were talking about campaigning, all three of them put in their bits and pieces about what they thought was good.

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So how long did this meeting go on for?-- Are we talking the second one?

Yes?-- Again, it was probably an hour but it would have been a lot shorter if I was first.

Right. About an hour anyway?-- Probably, yeah, but Chris - Chris had to go so it sort of got cut off short.

30

So was there any mention, now that we've gone through both of the meetings, was there any mention at either meeting of legal obligations of disclosure?-- No. Well, look, as I say, I - I got a lot of information from Sue. I talked to her almost nightly so I did discuss all sorts of things.

No, but I'm asking you what your recollection is. Now, this is-----?-- No, well, look, what I'm trying to say to you is that there was a lot of discussion over the whole issue and I can't recall if it was at the meeting or over a phone conversation with Sue.

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Yes. Well, that's in relation to conversations with Sue?-- Yeah.

I'm talking about these two meetings at Quadrant and I'm asking you whether you can recollect anything at all being said so far as legal obligations of disclosure?-- I - I can't recall.

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Surely, if it had occurred, if someone had raised it, if someone had asked a question about it, you would remember it?-- Well, no, I don't agree with that because as I say to you I discussed those issues with Sue numerous times so I can't - I can't tell you if that was brought up at the meeting or not.

Did you ever consider getting any other advice apart from Sue telling you what your obligations were? Actually, did you realise that there were - that these obligations were statutory obligations?-- I did when I got the form from the Council.

Right. So you would have carefully gone through the statutory provisions, did you?-- Well, I don't know if "carefully" is a good word but I went through it.

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Did you get any greater understanding after your official nomination of your legal obligations, apart from what you had which you've told us about from Sue?-- I - I don't believe there was anything different in that form than - than what I assumed was the case, that I had to fill out the - the details as far as the trust fund goes and put a trustee, and I believe that that was what was in the form that I got from Council.

Did you ever read anything to suggest that you shouldn't receive anonymous donations?-- Yes, but that wasn't an anonymous donation. That was a donation from the trust fund.

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From the trust fund?-- Yeah.

This is a trust fund that you had heard about in the way in which you've described; is that right?-- Is that a question? Yeah.

So you never at any stage asked even if there was a written document in relation to this trust fund; is that correct?-- No, I never asked for a written document.

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You believed, from what you've told us, that the person who controlled this trust fund was Mr Barden; is that correct?-- I don't think I said that.

Well who controlled it?-- I don't know. I mean, I - well look, there was a conversation I had with Sue about after Max Duncan had thrown his hat in the ring to run for council.

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When was this?-- After the State election because he was a State candidate.

That's the February election?-- Yeah.

February 2005?-- Yeah.

Yes?-- He failed the election in the seat of Burleigh in the State election and then he - next minute he's thrown his hat in the ring for council.

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Yes?-- And -----

I'm asking you a question directed at who was controlling this trust fund?-- Yeah, okay - sorry, that's what I was getting at. So we were talking about Max Duncan running and she said to me something along the lines of "The people who are

controlling the money - we may have a problem with me getting money because the people who are controlling the money want to give it to Max Duncan."

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Who's the "me", you?-- Yeah, me. Because I was assuming I was getting this money from the trust fund.

So who's saying this to you?-- This is Sue. She's telling me that when Max Duncan put his hand up that the people who were controlling the money wanted to give it to him. So she had to fight to get the money for me.

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So the people controlling the money may have had a problem?-- With me, because they wanted Max Duncan.

Right. Well who were the people controlling-----?-- I don't know.

Well didn't you want to know who the people were who were controlling the money?-- I've got -----

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MR WEBB: Mr Chairman, we're going over a lot of questions. They're repetitive. I haven't said anything so far, out of respect for my learned friend.

CHAIRMAN: I'm sorry, I didn't think this - I've never heard this before. Who's speaking repetitive?

MR WEBB: He was asked about who "Weren't you interested in who was controlling the trust?"

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CHAIRMAN: Well we've just heard the evidence about-----

MR WEBB: We've just heard what he said about it.

CHAIRMAN: -----being told by Ms Robbins saying. "The people controlling the money" so to ask about those - sorry, I can't agree with you it's repetitive.

MR WEBB: Oh no. Maybe I misheard what Mr Mulholland - the record will show but I thought he said, "Weren't you interested in who was controlling the" - well, I've heard that from him before - many times with Mr Pforr and at least once or twice with this witness.

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CHAIRMAN: All right.

WITNESS: Mr Chairman, can I just say something on that basis of who was controlling the money and not knowing? I have a transcript of a radio interview here which I would like to submit to the Commission and it's an interview between Steve Austin of the ABC and the Premier, Mr Peter Beattie, about his donations to his election campaign where he says he doesn't want to know who the donors are.

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CHAIRMAN: Well look, I don't think I'll accept that because the Labor Party does, I assume - I must say I've never checked it - but I assume the Labor party has a properly constituted

trust with a properly written up trust deed which will have trustees set out in that deed and all those details will be there.

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WITNESS: Yes.

CHAIRMAN: So I don't know that that's really terribly relevant to the issue we're talking about here.

WITNESS: But, Mr Chairman, what-----

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CHAIRMAN: I can understand the Premier might know - might not know from day to day who the trustees of that particular deed are but that's slightly different I think to the setting up of a new situation here that you've told us about.

WITNESS: Mr Chairman-----

MR NYST: Sir, isn't it relevant for both to hear what formed the opinions of these people when they were deciding what to do and not to do?

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CHAIRMAN: The date of that?

WITNESS: Mr Chairman, can I just say that I believe that this-----

CHAIRMAN: Can you give me the date of that?-- Oh, it's only a month or so ago.

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Well I don't think Mr Nyst point's a good one.

WITNESS: Can I just make a point here that what-----

MR MULHOLLAND: Before the witness makes a point, Mr Chairman, can I say-----

WITNESS: Well, can I just speak?

MR MULHOLLAND: No, no. Please. I want to make a submission. I'm asking this witness-----

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WITNESS: I want to too.

MR MULHOLLAND: -----as to what his knowledge was, Mr Chairman.

He is now going off on a tangent which has got nothing to do with the question. It may have something to do with whether or not he sees this as some justification for what he did and if so we can deal with it at a later point and I'll give him an opportunity. I want him to deal with the question that I was asking him and he is avoiding the question by going on and referring to something that may have happened with the Labor Party. I'm not seeking to shut this evidence out and I'll give him the opportunity to come back, but I want him to address the question that I'm asking and this is simply a

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distracted from it?-- Mr Chairman, I'm happy to answer the question.

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CHAIRMAN: Mr Betts, will you please go back and answer Mr Mulholland's question, because I agree with what he has said. You can make your explanation at a later stage. He said he will give you that opportunity?-- Okay. Fair enough.

MR MULHOLLAND: The question is, what did you believe as to who controlled the fund?-- I didn't know who controlled the fund and I think I told you that.

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You had just told us, before the interruptions, you had just told us that there was a conversation that you had which suggested that there might have been a problem because the people who were controlling the fund might have had a problem about you having regard to this other possible candidate. Is that right?-- That's right. That's right. Correct. Correct.

All right. Now who told you that?-- Sue Robbins.

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Right. When did she tell you that?-- Well, it was - it was after Max Duncan announced that he was going to be a candidate, so it was after the State Government election, so I'm assuming what, February - I don't know what the date was that the State Government election was - end of February, maybe.

All right.

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CHAIRMAN: Was the closing date for nominations the day you put your nomination in?-- No, I nominated earlier than the closing date, but Max Duncan actually didn't nominate by the end of the closing date. He announced in the media that he was going to run for council. However, he didn't end up actually officially running.

He missed out?-- Yes - well no. No, no, he just decided not to. Yeah.

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He missed out on a run, he was too late?-- No, he wasn't too late. He decided to pull out.

MR MULHOLLAND: Mr Betts has said that he nominated on the 12th February.

CHAIRMAN: Yes.

MR MULHOLLAND: Now, Mr Betts, in relation to this time - it would have been about February. Is that what you're saying? About February 2004?-- Yeah, in between the date of the State Government election-----

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Right?-- -----and I believe the end of February was the close of nominations for the council election, so it's somewhere in between those two dates-----

Well, take it that the State Election is on the 7th February, all right?-- Right, okay.

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7th February 2004?-- Okay.

So it was somewhere in that period?-- Yeah.

Now, up until the time when you heard this from Sue Robbins, who did you believe was controlling this trust fund?-- Well, I didn't know.

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You didn't know?-- No.

Well, when she said the controllers of the trust fund might have had a problem-----?-- Yes.

-----how did that square with what you understood to be the case so far as the trust fund was concerned. Did it-----?-- Can you repeat the question?

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Well, was it consistent or inconsistent with what you thought as to there being controllers of the trust fund?-- Well, there's got to be someone controlling the money.

Well - so you had no idea who was controlling the money?-- No.

Well, who - you had received money by this time, hadn't you?-- Probably. Yes. Yes, I had, yes.

You'd received money?-- Yep.

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Well, you'd received money in a situation where you didn't know who controlled the money?-- Yeah.

Did you have any idea as to upon whose direction the money that you received had been paid, or did you receive money without having any direction, without having any idea upon whose direction the money had come to you?-- Well, no, I think Sue had some input into it.

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Sue had some input?-- I think so, yes.

Well, was she a trustee of the fund?-- I don't believe - she never told me she was. I don't know.

Well, how could Sue-----?-- Because I was - I was dealing with Sue and from my understanding, Sue probably told Chris Morgan whether or not to go ahead with anything for me.

Are you telling me that as you understood it, the person, or at least one of the people who were controlling funds coming to you as an election candidate was a fellow candidate. Is that what you're telling us?-- No, what I'm telling you is that when Chris Morgan wanted to do some work for me, Sue agreed with it or didn't agree with it. So I don't know who was controlling the actual money, but-----

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Quadrant - who was paying Quadrant?-- The trust fund.

And you didn't know who was controlling the trust fund?-- No.

But Sue had something to do with it?-- Well, maybe.

Maybe she was controlling it?-- I doubt it, because when she said to me about Max Duncan - the people who controlled the trust fund, she said that they wanted to give him the money.

Well, there wouldn't have been any harm in asking Sue if she was controlling the trust fund?--I didn't want to ask her. I didn't want to know anything about it.

Would that be a convenient time?

CHAIRMAN: Yes. What time on Monday, Mr Mulholland?

MR MULHOLLAND: Quarter to 10, Mr Chairman.

CHAIRMAN: Yes. Thank you.

THE HEARING ADJOURNED AT 4.33 P.M. TILL 9.45 A.M.
ON MONDAY, 17 OCTOBER 2005

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