



CRIME AND CORRUPTION COMMISSION

TRANSCRIPT OF INVESTIGATIVE HEARING

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FORTITUDE VALLEY WITH RESPECT TO

File No: CO-16-1664

HEARING NO: 17/0001

DAY 2 – WEDNESDAY 19 APRIL 2017
(DURATION:1HR 50MINS)

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LEGEND

PO Presiding Officer – ALAN MACSPORRAN QC
CA Counsel Assisting – GLEN RICE QC
30 HRO Hearing Room Orderly – JESSICA WINTERS
W Witness – PAUL PISASALE
LR Legal Representative – CHRIS WILSON, McInnes Wilson Lawyers

HRO This hearing is resumed.

PO Mr RICE.

CA Mr Chairman, the first witness to be called is Mr Paul PISASALE, the Mayor of the Ipswich City Council. I call Paul John PISASALE.

10 LR Chair, my name is Chris WILSON. I'm here to represent Mr PISASALE in his appearance before the Commission, instructed by McInnes Wilson Lawyers, Mr MCCOWAN.

PO Thank you.

Good morning, Mr PISASALE. How are you?

W Good morning.

20 PO Do you prefer to take an oath or an affirmation?

W An oath.

PO Thank you. Will you swear the witness.

HRO Please stand and take the Bible in your right hand and repeat after me. The evidence - repeat after me. The evidence.

W The evidence.

30 HRO Which I shall give.

W That I shall give.

HRO In these proceedings.

W In these proceedings.

HRO Shall be the truth.

40 W Shall be the truth.

HRO The whole truth.

W The whole truth.

HRO And nothing but the truth.

W And nothing but the truth.

50 HRO So help me God.

W So help me God.

HRO Please be seated.

CA Sir, is your name Paul John PISASALE?

W Correct.

CA You're the Mayor of Ipswich City Council?

W Yes.

CA You're appearing here today in response to a notice to attend; am I right?

10 W Yes.

CA Can I show you this?

W Yes.

CA Is that a copy of the notice that you were given to appear today?

W I think so. It went to my lawyer.

20 CA I will tender that attendance notice, Mr Chairman.

PO Exhibit 18.

CA Mr PISASALE, in the 2016 elections, you were returned, I think, for your fourth term as Mayor?

W That's correct.

CA Having been first elected as Mayor in 2004?

30 W Yes.

CA I think in the last election you had a very high percentage of votes in your favour; is that right?

W That's correct.

CA What's the figure?

40 W In the whole four elections.

CA What are the figures?

W Oh, about 85 per cent.

CA In each one?

W Yes. The average over the four years was about 85.

50 CA You are a member of the Labor Party, are you not?

W Correct.

CA For how long have you been a member?

W Oh, 25 years or more.

- CA For the purpose of election campaigning, do you run as an independent candidate?
- W Yes, I do.
- CA Is that how you describe yourself for campaign purposes?
- W Not for campaign purposes. For the way I run my existence as Mayor.
- 10 CA For all purposes?
- W For all purposes.
- CA Can you give us your view on what that notion of independence means, when everyone knows, really, that you're a long-term member of the Labor Party?
- 20 W Yes, I'm a long-term member of the Labor Party, but it has no influence and has not had any influence in regards how I run my job, because as people know that I work and my role as the Mayor of Ipswich is to represent the city, and to represent the city I need to work at all levels of government, and I need to work with people who are of all political parties, and I do that.
- CA As a very senior participant in the process, can I just ask you your view on whether you think party membership, or other forms of obvious alignment to a party, should be known to electors in the course of an election campaign?
- 30 W Yes, correct, but mine has been in my register of interests since the day I was elected.
- CA Likewise, what would your view be on whether funding from a party or sources close to a party should be made known by a candidate in the course of a campaign?
- W Not only just political donations, but all donations should be known.
- 40 CA In the course of a campaign, though?
- W Yes, correct.
- CA There is, of course, a regime for making disclosure returns. You do that yourself, don't you?
- W What's that, sorry?
- CA Disclosure returns of gifts made?
- 50 W Yes.
- CA In the way the system has operated, the disclosure return is lodged perhaps some months after the election is held?

- W Not necessarily. I have a register of interests, and I also include all my gifts or any donations in that register of interests as well, before the election.
- CA Just perhaps if you wouldn't mind explaining, then, what this register of interests is and how you contribute information to it in the course of a campaign?
- 10 W Well, not only in the course of a campaign. In your role as Mayor, if you do receive any gifts or donations or lunches or hospitality, we have a register of interests that gets checked on a regular basis, that you have to upgrade within six weeks of receiving that gift.
- CA Is that maintained by the Electoral Commission?
- W No, it's a council document. I think it's maintained by the - it's just been audited by the Queensland Government. It's a Queensland Government document.
- 20 CA And is it available for public inspection?
- W It's online.
- CA On, what, the Ipswich City Council website?
- W Correct.
- CA And do you, as and when you receive gifts, as you do, have a practice concerning the updating of that register?
- 30 W Yes. I have a regular monthly procedure where I upgrade it all the time.
- CA Is that register applicable also to other councillors?
- W Yes.
- CA And do other councillors follow the same process as you by way of updating it, do you know?
- 40 W Well, I wouldn't know what other councillors do.
- CA You don't know. But do you know whether there is a register maintained by other councillors?
- W Oh, they have to be. It's part of the process.
- CA And you don't make it your business to check on whether they're updating it--
- 50 W No, I don't. I've got enough to do.
- CA Okay. And is that register to be completed by councillors?
- W Correct.

- CA What about candidates to be councillors in the course of an election campaign - does that have any relevance to them?
- W No.
- CA As part of your campaigns, you arrange for printed material, do you not, Mr PISASALE?
- W Correct.
- 10 CA They include How to Vote Cards?
- W Yes.
- CA Billboards?
- W Yes.
- CA What other kinds of printed material?
- 20 W Printed material - mailbox delivery.
- CA Mailouts?
- W Mailouts.
- CA Of what?
- W Pardon?
- 30 CA Mailouts of what?
- W On postal voting and also information about my policies and what I stand for, and my whole campaign was themed on three principles of people, performance and progress.
- CA Can I show you this example of a How to Vote Card. That one features you alone; correct?
- 40 W Yes.
- CA As part of your campaigning, do you have an arrangement to secure services of printers and associated costs for printed material?
- W Did I pay for this? Yes.
- CA Yes.
- W Yes.
- 50 CA Do you pay only for printed material that features your image, because you're aware, I think, that other people do use your image?
- W Yes, I'm aware of that, but I only pay for mine. I had all standardised material that we printed and we kept to the same thing.

- CA Do you pay for other printed material, such as How to Vote Cards, that feature other candidates' images?
- W No.
- CA I'll tender that first How to Vote Card, Mr Chairman.
- PO That is Exhibit 19.
- 10 CA I'll take you to another How to Vote Card. This one features you. In fact, it's the same layout of How to Vote Card on the left-hand side, but it appears as a joint card with Mr TULLY?
- W Correct.
- CA Did you have an arrangement with Mr TULLY for him to use a How to Vote Card in that format?
- 20 W No. I've told all the candidates that I was very happy to support all candidates, and if they want to support me as Mayor, I had a philosophy that the people of Ipswich need to know not only who they were voting for as a councillor, but who they were supporting as the Mayor of the city as well.
- CA Right. Well, to be specific, in relation to that particular document, did you have any discussion with Mr TULLY about whether you were agreeable to having your image used in that way?
- 30 W No. I had no discussions, but he knew full well for the last four elections that we've had - he's always supported me as the Mayor.
- CA So had he used How to Vote Cards in that format on previous occasions, in previous elections?
- W I'm not too sure whether it was that format, but he has used--
- CA Joint How to Vote Cards?
- 40 W Yes.
- CA You knew that?
- W Yes.
- CA So it was no surprise to you to see that such a How to Vote Card was being used for the 2016 campaign?
- W No, no surprise at all.
- 50 CA And it didn't really need him to ask you, because it had been done before to your knowledge; correct?
- W Yes.
- CA In that particular instance involving a shared card with Mr TULLY, was there any sharing of cost?

- W No.
- CA What about with respect to other candidates who, likewise, use your image on How to Vote Cards, do you share the cost of that?
- W No.
- 10 CA To your knowledge, do the other candidates pay for the How to Vote Cards in full?
- W Well, to the best of my knowledge, but I had no share cost.
- CA Well, how widespread, then, is it amongst candidates, say in the 2016 election, for them to use a How to Vote Card which depicts your image and conveys their support for you?
- 20 W Well, I'm not too sure, but all candidates knew that they were able to support me for Mayor, if they wanted to, on their How to Vote Card, because I wanted to be fair to all. I invited everybody to my campaign launch and I made the fact that, as the Mayor, I didn't want to be seen to be supporting anybody totally.
- CA So did you make, like, a declaration or announcement of some informal kind that people were free to use your image, if they wished to do so?
- W People were invited to all of my functions and people knew perfectly well that I wasn't going to get involved in their campaign, but I only produced a How to Vote Card and, on the day, all my people only handed out my single How to Vote Card.
- 30 CA So far as joint How to Vote Cards are concerned, do you know whether, say, in a single division, there were competing candidates that multiple candidates used joint How to Vote Cards depicting your image?
- W There was.
- CA That happened?
- 40 W Yes, there was a number of divisions that all the candidates had me on their How to Vote Card.
- CA Do you know whether that is a perception of benefit to them, given your popularity?
- W Well, I'd say so.
- CA That would be one motivation to use your image?
- 50 W It would be one motivation, but people have got to start realising that the How to Vote Card is not the only thing that influences the voter. It's the work over the four years. You know, I think sometimes we underestimate the ability of the community.
- CA Do you know what a group of candidates constitutes under the *Local Government Electoral Act*?

W Yes, I think so.

CA Can you give us your understanding of it?

W Well, a group of candidates that form together to form a team. They have common values and common policies and run as a team.

CA Have you ever done so?

10 W No.

CA What about voting on council, is there any bloc voting on council that you've observed?

W No.

CA Even though, for example, you and Mr TULLY are both long-term members of the Labor Party and have that obvious philosophical alignment?

20 W Not if you see us in council.

CA I beg your pardon?

W Not if you see us in council. We've had a number of debates.

CA Okay. I will tender that joint How to Vote Card, Mr Chairman.

30 PO Exhibit 20.

CA I'll show you another one. It involves Councillor SILVER. . Do you have any recollection as to whether candidate SILVER, as she was then, approached you and asked about using your image?

W Yes. No, she came and saw me for support and I said I had no issue in regards to her supporting me for Mayor, like any other candidate. She had some paperwork there, and I can recall that she was really keen to run, and I said to her, like, I'll give her the same commitment I've made to all the other candidates, that she's quite happy - as she's got here "Supporting" Paul PISASALE for Mayor".

40 CA You mentioned that you didn't pay, I think, for any such joint How to Vote Card. Did any of the candidates offer you money for the use of your image?

W No.

CA You didn't receive any money for the use of your image?

50 W No.

CA I tender that How to Vote Card.

PO That is Exhibit 21.

- W It's actually a different photo, too, to my How to Vote Card.
- CA I beg your pardon?
- W It's actually a different photo. It makes me look a bit younger.
- CA You're still holding up pretty well, Mr PISASALE.
- W Thank you.
- 10 CA We've made mention so far of disclosure returns. I'd just like to ask you a little bit about those and show you yours, to begin with. Just have a look at this. Just confirm that that's a copy of your disclosure return for the 2016 election?
- W Yes.
- CA Is that your signature on the first page in section 5?
- 20 W Yes.
- CA And dated the 8th of July, by the looks?
- W Yes.
- CA I tender that return.
- PO Exhibit 22.
- 30 CA In fact, that appears I think as an amended return. It appears as an amended return?
- W Yes.
- CA That would account for the date, perhaps?
- W Sorry?
- CA That would account for the date being in July?
- 40 W Yes.
- CA As a general matter, is it important to you to know who your donors are so that perceptions of electors can be managed about who is giving you money?
- W Yes.
- 50 CA And given that you update this register of interests or register of gifts from time to time, does that keep you up to date on who's giving you money?
- W Correct.
- CA Is that part of the reason for completing it?
- W Yes.

- CA So far as these returns are concerned, can I ask you your view about whether the disclosure returns serve the purpose of informing electors, given that they're completed and furnished to the Electoral Commission some months after the election?
- W Yes, I don't make the rules, but it would be a lot better to have them all, you know, put in before the election.
- 10 CA So that people could be aware of who is donating to you?
- W Well, I was trying to keep the people informed through my register and your candidates, or the people running against you don't have to do it.
- CA No.
- W There's two sets of rules.
- 20 CA Yes. Well, you received quite a large sum in donations over the disclosure period for this return; correct?
- W Yes, just enough to run the election.
- CA Well, it was about \$220,000?
- W Correct.
- CA Was that for the purpose of campaigning?
- 30 W Correct.
- CA So is that what you spent?
- W Yes.
- CA And the make-up of that amount involved contributions from quite a large number of donors, in fact 76 in total; correct?
- 40 W Correct.
- CA How--
- W A lot of that money was also in kind and GST.
- CA But nonetheless, 76 separate donors?
- W Correct.
- 50 CA Given that there's such a large number of donors to you, how do you identify and manage conflicts of interest with respect to the interests of the donors as compared with your function as Mayor?
- W I don't understand the question. You're saying that in council - if a matter comes up with council, where someone has made a donation, I declare an interest in that particular item.

- CA Having done so, do you continue to deliberate or vote on the matter under consideration?
- W In what respect?
- CA Well--
- W A planning matter?
- 10 CA Well, for example.
- W Well, there's been about - if you look at the planning documents, there would have been about, say - I looked at the records - about 800 planning matters and this has been investigated by the CCC before, and only two of those went to council.
- CA Are you saying that so far as Ipswich City Council is concerned, a conflict of interest with developers is not a big issue?
- 20 W No, we make sure that any conflict of interest is reported, and we make sure that the officers have the right to do their job without any interference from a political--
- CA How do you make sure that any conflict of interest is reported?
- W Well, you report in council. If the matter comes up, it's recorded in due course of the council process or committee system.
- CA Well, the onus is on whom to raise it?
- 30 W The onus is on yourself.
- CA So there's an element of trust so far as you and any other councillor who may have received a donation to make the declaration of that conflict of interest?
- W That's correct. The issue is that councillors and mayors have to run a campaign and they don't receive funding like other levels of government, and somehow you have to raise the money to run a proper campaign to keep your community informed. It would be better to have it as the same level - same rules for all levels of government.
- 40 CA Well, that raises another question, of how funding ought best be done for local government, such as Ipswich City Council?
- W I'd say we'd just use the same process as they do in state and federal, so the onus is not on councillors and mayor to find the money to run a proper campaign. The most important thing in any campaign is that the people know what you stand for for the next four years.
- 50 CA Funding of that kind, though, would really be contingent on party-political endorsements, wouldn't it, and running of tickets, and so forth?
- W I don't think so.
- CA No. How would you see it working?

- W Well, if you want to be a true independent, you've got to raise your own money. There was no political donations to my campaign at all.
- CA But if the same rules applied to state and federal campaigns, they are substantially funded by the parties that run them?
- W No, not necessarily. There's a lot of good independents that run at state and federal level.
- 10 CA What would be your preferred, if you could explain, funding model for local government in Ipswich?
- W I'd say my preferred funding model is to have the same, where people got a payment on the amount of votes they got, similar to state and federal. That way, people can then run their own campaigns without having put pressure on the poor old developer, who gives because they want good leadership in the city and then gets sort of accused of trying to buy a vote. You know, I always have a simple statement I make: people give to churches, but they don't expect divine intervention.
- 20 CA You mentioned developers. Is that your view of why developers make donations to councillors - looking for good government, or is there-
- W Well, I'd say so. Out of all that money, only about 15 per cent was from the development industry. The other was from hardworking people and the people of Ipswich who appreciate what I do.
- CA Would you perceive, so far as developers again, to use them as an example, there's any perception that giving a donation might benefit them in some way?
- 30 W It just - no, it won't, because we've got great planners in the City of Ipswich, and I can tell you that the planning people are not going to be bought off by a developer. They are professional people and they'll be making the decisions that are in the best interests of that planning document and the city.
- CA Do you have occasion to have meetings with electors, concerned parties, about council business outside of the council forum?
- 40 W What do you mean?
- CA Well, in your office.
- W Yes, with who?
- CA Well, you tell me. Electors of different kinds who have an interest and want to express their interest in some aspect of council business?
- 50 W What do you mean? Developers?
- CA It could be developers; it could be wider than that.
- W I have a lot of people coming to speak to me about issues. If it's a developer, I always meet with them, but I have a planner with me at all

times. But there hasn't been any discussions in regards to forming teams, discussions on what we're going to do, policies. I produce all my own policies and, you know, take them to council and as individual meetings, we - there's none. And any time the councillors meet, we always meet in regards to council meetings and council committee structure.

- 10 CA Does the fact that a business or individual has made a contribution, as set out in your disclosure return, give such a person any preferential access to you?
- W No, not really. I'm available 24/7 on the phone and many people ring me, whether they've given me money or not.
- CA So from your perspective, it's not a case of their getting any benefit from you?
- 20 W No, not really. To be honest with you, I couldn't even list who gave to me because there were so many of them, and I had a team of people that were there to support me, and they ran all that.
- CA It rather gets back to what I asked you before. There are so many donors, and I think you've just acknowledged, that you lose track of who they are?
- W Yes.
- CA It raises the question, I suggest to you, of how you identify any conflicts of interest when you even forget who your donors are?
- 30 W No, because at the end of the day if it's something coming up from council, I always check my register. I always do that. I have staff checking that because we're very meticulous on that, because it's one of those issues that are important to me because I don't want to cause any problem to them as well. But, at the end of the day, I treat everybody equal, whether they've given or not. I treat all political parties exactly the same, and that's why our city is going well.
- CA You at least take the trouble, though, to check your register of interests?
- 40 W You have to do that. I actually carry a lot of those register of interests before each council meeting, just to check it.
- CA What would prompt you to go back to your register of interests?
- W Because I'm a patron of about, you know, 45 community organisations, and with the register of interests there's no clear definition. So whether you had morning tea at the local Show Society and all the community organisations that I represent is a conflict of interest as well, as well as the business community, and you have to make sure that you don't cause any issues. When you have so many, it is hard to keep track of it all.
- 50 CA Mr Chairman, I was going to ask for a short break for the time being. There's some information that has been received that may or may not lead to some more questions for Mr PISASALE and we just need a little time to sort that out.

- PO Yes. Mr PISASALE, you would be aware that there was some material that we had requested from you, which we only received reasonably late in the piece. I am not being critical, but it is the fact that we have only just received that, so we need a little bit of time to look at that, and it seems desirable we do that now while you're here --
- W Yes.
- 10 PO -- rather than stand you down and bring you back on another occasion.
- W That's okay.
- PO I understand you have, as is obvious, many commitments outside this hearing. With your indulgence, we will adjourn briefly to let my Counsel Assisting and legal staff look at some of these documents, in an endeavour to try and finish you this morning, to let you get on your way.
- W I'd appreciate that.
- 20 PO All right. We will just adjourn for a period, and, Mr RICE, you can let me know when you're ready to resume, if you would.
- CA Yes, certainly. Thank you.
- HRO All stand, please. This hearing is adjourned.
- SHORT ADJOURNMENT
- 30 HRO All stand, please. This hearing is resumed.
- PO Mr RICE, are you ready to proceed?
- CA Yes, thank you. Thanks for waiting, Mr PISASALE.
- W That's okay.
- CA There is a feature of the processing of payments for your campaign expenses that the Commission would like you to shed such light on as you can.
- 40 W Yes.
- CA You know of a company called Zimmi Group?
- W Correct.
- CA It's your daughter's company; correct?
- W Correct.
- 50 CA Her name is Lisa?
- W Yes.
- CA Did you know that it was incorporated in September of 2015?

- W Yes.
- CA She is the only director and the only shareholder; correct?
- W I'm - I think so.
- CA At any rate, without that kind of detail, you know that that's effectively her company?
- 10 W Yes, yes. Yes, of course.
- CA She had a significant role by way of assistance in your campaign; would that be right?
- W Yes.
- CA Could you explain what her role was?
- 20 W Look, I went and saw Lisa because I - my role as Mayor entitled me to do my job as Mayor right up till the election, which I had a lot of work to do, so I asked her if she would take over and run my campaign on a professional basis. After a bit of deliberation, she said she'd only do it on one condition, and that was that if I kept out of it. I agreed to that and I said to her that I want to employ her company to run a professional campaign, and she said she would do that because - I employed her because I believe she is one of the best in the industry. And so she ran the campaign, and ran it well and made it very, very professional, and, at the same time, I was able to continue to do my job as Mayor right up to the election.
- 30 CA Could you tell us, then - you mentioned she is the best in the business, in your view.
- W Yes.
- CA What was her skill-set that she could bring to the task?
- W Well, she's marketing, design, you know, digital media space. She was able to bring fresh young eyes to, you know, usually a boring campaign. And the colours she used - not necessarily what I would have chosen, and I was really pleased at the type of design. She brought - her experience in New York and where she's been had really brought new eyes to our campaign.
- 40 CA She purchased a lot of campaign material for the campaign; correct?
- W Correct, yes.
- 50 CA And in the first instance, tell me if this is correct, she arranged for suppliers to invoice her company, Zimmi Group, for such materials and other products --
- W That's right. Her company --
- CA -- for your campaign purposes?

- W It was her company running the campaign and she would then supply the invoices to the campaign office, and I had two people that separately had to verify the payments and the cheques.
- CA Well, take it step by step. I was correct, wasn't I, that she, that is to say the company-
- W She organised everything.
- 10 CA Okay, but we'll just break that down a little bit.
- W Yes.
- CA She would engage suppliers, who would invoice her company?
- W Correct.
- CA Zimmi Group. So we have an invoice to Zimmi Group, did you know that?
- 20 W Sorry?
- CA We have an invoice to Zimmi Group from supplier X.
- W Yes.
- CA And then she, or at least her company, would prepare an invoice from Zimmi Group to your mayoral campaign fund?
- 30 W Correct.
- CA That's how it worked?
- W Yes.
- CA I think you mentioned a moment ago that you had some staff engaged in the task of paying invoices, amongst other things, to Zimmi Group?
- W Correct.
- 40 CA Did you, yourself, have any part in the administration of that payment process?
- W No.
- CA Could I show you three invoices from Zimmi Group, which have some supplier invoices stapled to them. Just take a moment, Mr PISASALE, to have a look.
- 50 W I just haven't got my glasses. It's not huge print.
- CA I see, all right. Could you tell me this: in your capacity, at the level you operate at, being the mayoral candidate, is it likely that you would see invoices of this kind?
- W Me?

CA You, yes.

W No, this is the first I've seen these.

CA Okay, you probably don't need your glasses to tell us that much, that you haven't seen any of that material--

10 W No.

CA -- before today?

W No.

CA In the first instance, you rely on your daughter to engage the suppliers for the product or service that's needed?

W I had a good team organising all this and they knew what the rules were--

20 CA Yes.

W -- and they made sure they abided by all the rules.

CA Well, were you aware that these instances that I have shown you of invoices from Zimmi Group to your mayoral campaign show a significant mark-up in the cost of the service as invoiced to Zimmi Group --

W Yes.

30 CA --and then passed on to your mayoral campaign?

W That mark-up is her wages and her costs in delivering it. She stopped her company work and I employed her as full time to do this. So she was operating under the same rules as she runs her company.

CA Did she not also bill the mayoral campaign for hours of work?

W Yes, but they weren't the significant hours that she put in. There was a lot of times that she didn't bill, so she did bill some hours, yes, that's correct.

40 CA Well, as a general proposition, then, were you aware that there was a mark-up--

W Yes. It's like normal company practice, correct.

CA I see.

W Because the mark-up - you got the goods. The design, and all the work that goes in to getting those goods which I couldn't do it and other people couldn't do it, so that's the cost in regards to the mark-up, it's her time and her effort, or the company's time, to deliver that.

50 CA Did you have any agreement with her as to any formula that might be applied--

W No.

- CA -- or was it up to her to apply just commercial principles?
- W I told her to use full commercial principles because I didn't want any favours and I didn't want her company or herself to miss out. But I know that she put many hours and weekends and nights into it that she didn't bill.
- 10 CA Was there anyone scrutinising the level of mark-up from her company to the mayoral campaign?
- W I'd say so.
- CA Who?
- W Well, the people that would get the invoices would have asked.
- CA Do you know - well --
- 20 W I don't know what you're suggesting in regards to mark-up. That's just normal commercial practices. Are you saying they're unfair?
- CA I'm just asking you about it, Mr PISASALE.
- W Well, I wouldn't even know what the mark-ups are, but I did give her riding instructions to run it as a proper business in a proper professional manner.
- 30 CA Can I suggest this to you, that a preliminary analysis of \$108,000 worth of campaign expenses shows a mark-up by Zimmi Group to your mayoral campaign of about \$32,000?
- W Yes.
- CA That wouldn't surprise you?
- W Is that about a third?
- CA A bit less, a bit less.
- 40 W Yes, I think just from my experience in business, I think it's a third, a third, a third. That's normal business practice.
- CA None of that surprises you?
- W No. I think I got value for money. Well, I'm sure I got value for money, with 85 per cent.
- 50 CA I tender those three invoices, Mr Chairman. They're numbered 52, 59 and-
- PO I think 59, 62 and 69.
- CA Correct, yes.
- PO Do you want to tender them as one exhibit?

- CA Yes, they could be one exhibit.
- PO I'll make those collectively Exhibit 23, thanks.
- CA Thanks, Mr PISASALE.
- W Thank you.
- 10 PO Mr PISASALE, I just have a few questions for you. You have acknowledged, I think, that you've had a number of individual donors, a large number, to make up your total campaign contributions, and I think 76 was the figure quoted?
- W Yes.
- PO You acknowledged, I think, the difficulty you have had from time to time in keeping track of who those donors were because of the need to manage conflicts of interest?
- 20 W Not only to manage but - it's not only the 76 donors, but the way the system is based on - and I've been asked on it - you've got all your community based organisations. I'm patron of, you know, over 40 organisations, plus people that give you hospitality. So your register changes on an ongoing basis, so you have to be very careful in regards that you don't miss something in council that could be coming up; that could be in one of the reports. So it's something that you've got to keep an eye on.
- 30 PO You have to, as you say, I think, constantly keep an eye on it?
- W You do have to, but no-one has ever defined what a conflict is, and that makes it very difficult because at council meetings you've got people declaring that they're members of the Boy Scouts, they're Catholic, they've had sandwiches at the Show Society, so a lot of the council meeting is taken up with people declaring conflicts.
- PO Yes. There is a further category of thing that you have to be on the lookout for, and that is a need to declare a material personal interest; are you aware of that?
- 40 W Yes. Yes, I am.
- PO And are you aware that if there is a material personal interest involved in something that comes before council, you have to not only declare it but absent yourself from the meeting discussing it?
- W Well, either - yes, you can - either/or you choose to. It depends on whether it's a material personal interest or a conflict of interest.
- 50 PO If it is a conflict, you must declare, or you should declare it?
- W Correct.
- PO But you don't have to absent yourself or refrain from voting, depending on how you manage the conflict?

- W Correct.
- PO But if it is a material personal interest, it's a bit more serious, isn't it?
- W Yes, and more complicated.
- PO You're obliged, under the *Local Government Act*, I think, to not vote; in fact to take no part in the discussions?
- 10 W That's correct, but it's not really defined that easily. Really the matter is up to you to determine that.
- PO I suppose one way of putting it in summary form is that if you stand to gain something over and above what the average, ordinary person would gain-
- W Or a loss, yes.
- 20 PO -it's a material personal interest?
- W Yes.
- PO I suppose a classic example might be of a conflict of interest, for instance, where a developer who has an application before council for an approval of some sort, donated money to your campaign?
- W That's correct.
- 30 PO That would be at least a potential conflict, would it not?
- W Correct.
- PO How do you manage those sorts of conflicts generally?
- W I think, from memory, most of those, I left the meeting.
- PO So you would declare that the person, the subject of the application, was a donor or had been a donor?
- 40 W Yes.
- PO And, for that reason, you thought it appropriate to absent yourself?
- W Correct.
- PO Now, that takes you away from the actual discussion and decision-making process, doesn't it?
- 50 W Yes.
- PO The public aspect of that. Those sorts of meetings are minuted, are they?
- W That's correct.

- PO The minutes would record you declaring the conflict and leaving the meeting?
- W Correct.
- PO It would record you returning to the meeting after the decision was made or the discussion concluded?
- W That's correct.
- 10 PO Those minutes are available to the public, are they?
- W Yes.
- PO So publicly, that would be the scenario that's revealed?
- W Yes.
- 20 PO One consequence of that is that, as an elected member of council, in your case being the Mayor, you weren't able to take part in the council business for that particular transaction?
- W That's correct.
- PO That is potentially at least undesirable, isn't it - to take you out of the decision-making process, especially when you're the Mayor?
- W Yes, but, as I outlined before, Commissioner, out of the nearly 800 applications, only two went before council. Most of those, we have a very professional organisation and the systems in place in council, the officers and the planners make all the decisions and they have delegated authority through the CEO to make those decisions.
- 30 PO So those decisions are made in the ordinary course, are they, without having to go through the full council process?
- W Or me having any involvement whatsoever.
- 40 PO How is it known that you have no involvement in that process that's done by the planners and the other professionals?
- W Commissioner, in the last couple of years, there has been a thorough investigation by this organisation that has investigated every one of those applications to see my involvement, and that was part of the previous investigation that I was cleared on, and I'm sure that you will find the process that we've put in place, it's pretty easy to see. I think the most important thing that politicians have got to understand is their role is to represent the community and not become planners or engineers.
- 50 PO But surely it must be difficult for you, as such a public figure, in separating yourself from those entities, those individuals, who are wanting to do business for the council and who might also be donors?
- W No. Look, the way planning works and the way the system works now, it's pretty hard for a decent developer to go in there and expect something of favour. What they understand - they've got to put in good applications

to council. We have a South East Queensland plan, we have a regional council plan, and anybody who doesn't follow those rules would have to be dumb.

PO So, in your view, why would developers waste their money in donating to your campaign, then?

10 W Look, at the end of the day, I suppose what I said before - they're looking for good leadership. What makes a great council is that there's certainty that you can go in there and discuss issues with council and there's no political interference, and that's probably the best thing, that in Ipswich there is a good alignment between the political arm and the operational arm, that we all know what role we play, and I think that's important. The City of Ipswich is going well because of that civility.

PO All right. It is a controversial topic, though, isn't it?

W Oh, tell me about it. Yes, yes.

20 PO And particularly donors who are developers, or people who do business with the council, there is always potentially a perception that there is something else going on; you'd accept that?

W Correct.

PO One example, perhaps - I'm just looking at a Queensland Times - that's your local newspaper?

W Yes.

30 PO It is an article from 8 July 2016, 8 July last year, which was just after the election.

W Correct.

PO It gave, if I might say, a fairly comprehensive summary of all of the people, the major ones, who donated to your campaign. It quotes the total figure of \$219,000-odd, which we've heard confirmed here today.

40 W Yes.

PO And it goes through some of the more prominent donors and quotes, for instance, this: "Nugrow Pty Ltd are the operators of a large waste treatment and recycling plant at Swanbank". And they quote that they donated, I think, \$11,000. You're aware of that company?

W Yes, yes.

50 PO Is there a particular individual who you have dealt with or know of from that company?

W Yes, Roy WILSON.

PO Roy WILSON?

W Yes.

PO He is a local businessman, is he?

W Correct.

PO What about the company Plencove - P-L-E-N-C-O-V-E - Pty Ltd?

W Not too sure but --

10 PO Don't know that name? They donated apparently \$10,000.
Richard HOLT?

W Oh, yes, a solicitor on the Gold Coast.

PO Just One Call Pty Ltd?

W Yes.

PO And Brookwater Golf Operations Pty Ltd?

20 W Yes.

PO Lookool Magnetics.

W Yes, they're Western Australian. They don't have any interest in Ipswich.

PO And Cannon Hill Developments Pty Ltd.

W Yes.

30 PO Do you know all of them, or those entities, at least?

W Yes.

PO According to the article, all of those entities I have quoted to you donated
about \$10,000 each?

W Either cash or kind. The Brookwater one was the use of the golf course.
Some were assistance with magnets purchase. I think the company makes
40 magnets.

PO Just take the golf course one, Brookwater. Did they allow you to use the
golf course for some of your fundraising activities?

W Yes. The \$11,000 would have been the \$10,000 plus \$1,000 GST. So it
was the use of the golf course. We had a golf day to raise money.

PO Did Brookwater have any business with the council?

50 W Brookwater doesn't, but Springfield Land Corporation - but there's a full
master plan of the Springfield Land Corporation that has already been set
in place.

PO So is Brookwater a subset, if you like, of the larger Springfield Land
Corporation?

- W Correct.
- PO I see, okay. And then Springfield Corporation is a donor as well; is that so?
- W I think they supported with the golf club, but - and also put a team in. That's about all.
- 10 PO You have had, and continue to have, I assume, extensive dealings with the Springfield Corporation?
- W Yes.
- PO The head of that is Mr SINNATHAMBY?
- W Maha, yes.
- PO How frequently would you deal with him?
- 20 W Oh, probably once every six months we might have a cup of coffee or talk about issues, but we don't talk about development. We talk about his vision for education for our city. He has an enormous amount of wealth, and we're always talking about issues that - how Ipswich and Springfield and the city can grow in regards to a master plan community, because it has all been set in place, Commissioner, and our vision is to make sure that the perception of our city that had suffered for a long time has got to change, and it's great to see the growth that's happening in our region now.
- 30 PO But you don't discuss development?
- W No. A lot of work went in, about 25 years ago, to set up the Springfield Master Plan, which sets in place everything that's going to happen in Springfield for the next 25 years.
- PO Do I take it that you don't discuss development because you think that would be inappropriate?
- 40 W No, there's nothing to discuss. I don't know much about development. I don't know much about planning. What I do know about is marketing of a city and making sure the perceptions of the city change. I do know about making sure that the development industry feel that they're welcome in Ipswich, and I make sure that they understand that we won't tolerate the wrong thing, but we will support developers who do the right thing by our city.
- PO I might have the pronunciation of this wrong, but Sekisui House?
- W Sekisui House.
- 50 PO Who are they?
- W Sekisui House is the largest house builder in the world. They're from Japan.
- PO So a developer, essentially?

- W Yes, they're a developer, but they're a developer that wants to make a difference to the environment also with their Ecco Ripley development.
- PO You support their work?
- W Oh, absolutely.
- PO Do they get any favourable treatment by council for that purpose?
- 10 W No.
- PO They donated a little under \$8,000 to your campaign.
- W Yes.
- PO Do you think there's any favourable treatment in the sense of having access to you, as the Mayor, to be able to discuss things with you more readily than people who don't donate to your campaign?
- 20 W Commissioner, I'm going to tell you that my phone is on 24/7 and I don't leave work or go to bed at night until I return everybody's call. I do not provide any favouritism to anybody, and donating to my campaign - I appreciate it because, as I said before, there needs to be a different system, because these people are always put under a cloud because they're supporting someone who they believe in.
- PO DJ Homes, Sunny Gold International - do you know them?
- 30 W Yes, yes.
- PO Are they a house builder as well?
- W Sunny Gold, yes - yes they do some of the Cannon Hill developments. They do - Sunny Gold - they've got a development, but it's already existing. There's no - like, Sunny Gold, and most of these, Springfield Land Corporation, all the approvals have been given, so there's no advantage except to support strong leadership in the city.
- 40 PO Yellow Cabs donated \$2,000, apparently.
- W Yes, I think they just brought a team at the golf. Yes, I'd say so. I'm not too sure.
- PO There has been some controversy about Yellow Cabs, in the sense that you have a share or an interest in cab licences, don't you?
- W Yes, that's right. But I lease them out to Yellow Cabs. I don't have any say in it. It's just a simple lease arrangement where Yellow Cabs have got them, and with Uber they're not going too well at the moment.
- 50 PO But Yellow Cabs are a beneficiary of business with the council, aren't they?
- W Not really.

- PO Didn't you set up, or weren't you instrumental in setting up a scheme, and I might say, to your credit, a very meritorious scheme, for allowing local people in the Ipswich area to get cheap cab fares subsidised by the council through Yellow Cabs?
- W Well, it was operating in Brisbane, and there's only one cab company in Ipswich, and it's Yellow Cabs. I have no say in that licence. I get the same rates for the last 10 years, so that doesn't go up or down. So there's no benefit to me. When that came before council, I explained, I declared an interest and spoke to the councillors, and they were aware of it, because council only contributed \$5,000 to start it. Most of the money comes from the shopping centres and Yellow Cabs, as a support mechanism for people who use the cabs so elderly people can get to the shopping centres, so there's no benefit to me. Actually, I think there's a loss to Yellow Cabs. They're doing it as a community benefit.
- 10
- PO Can you see, just looking at it one step removed for a moment, that there can be a perception of these things?
- 20 W Well, to tell you --
- PO People think that they might get favours from the fact that you have an interest in the business?
- W Yes, I realise that, and, Commissioner, I understand your point, but isn't it sad that perception rules when the law should rule? I work very, very hard for the community, and a lot of other people do as well. There is no benefit for me in regards to Yellow Cabs. Yellow Cabs wanted to put that into Ipswich to help the community. I brought from my, you know, superannuation fund, for my investment, some licences that I then lease to Yellow Cabs, that I have no interest in, and fixed terms, no matter what happens. So it's a shame that people get judged on perception rather than reality.
- 30
- PO But that is the reality, isn't it? There will always be a perception unless there is complete transparency?
- W Correct, and that's what we're here for.
- 40 PO I take it that you're a staunch supporter of total transparency?
- W Yes. Yes, I am.
- PO I think you have said in the past, and you've said here today, I think, that you think the rules should be the same for federal, state and local government?
- W Yes, I do. I do.
- 50 PO There's no room for unnecessary perceptions to be held that there is favouritism being given to people who donate to fund your campaigns?
- W Yes, and that's why I'm really in favour of now this whole public hearing, so we can clear it up once and for all. I'm also in favour that the digital age and technology and Facebook, the rules haven't kept up with this. There's no rules to protect people like myself and my family; what I've

been subjected to. I've written to many organisations during the campaign, I've written to the Electoral Commission, and I've had no responses, of some of the things that were happening to me and my family. I've asked for transparency. I've asked for this time and time again. That's why I'm really pleased that this is happening, because it needs to happen to protect good people as well. And I can tell you that as far as I'm concerned, the Electoral Commission was understaffed. I've still got emails that I've sent to the Electoral Commission that haven't been responded to.

10

In 2008, when the Electoral Commission took over, the Local Government Association every year at their conference has been begging to bring it back to local, because what's happened when you've got the Electoral Commission involved, they don't have enough resources to deal with the issues that are happening because of the change to transparency, the way that this How to Vote system is working, the pre-polling where people have just been inundated and thrown these pieces of paper in people's faces. This has got to all stop. You know, we need to have some simple - to protect the people of the city when they're making decisions, that they're not inundated with all these pieces of paper thrown in their face and they can make proper decisions. This is what I hope we achieve from these public hearings, so we can clear it up once and for all so decent people don't leave because the system is not protecting them at all.

20

PO I think you were shown some How to Vote Cards and you were questioned earlier about the practice that had developed of candidates putting a photo of you and saying they supported you.

W Yes.

30

PO I suppose any candidate who said they didn't support you would have very little chance of being elected; that would be a fair comment, wouldn't it?

W I'd say so. The people of Ipswich believe in me and I've worked hard for the people of Ipswich, and I suppose they want to know who that person is supporting as well. You know, if they had supported a candidate that wasn't supporting me, and they were supporting me, that would neutralise their vote, so I suppose they would really love to know the thoughts of that particular candidate as well. It's important in the process.

40

PO Did you seek some advice from the Electoral Commission during the campaign, when you found out that people were, without your permission, using your photo on their How to Vote Cards?

W In actual fact, I gave approval to one particular councillor, and I sent an email to the Electoral Commission, which I have here, asking that if anybody was to use my photo, could you please advise me, and I'm still waiting for a response.

50

PO All right. To be fair to the Commission, as you heard, you may have been aware of the evidence we had yesterday from the Commissioner, himself, that there was a huge number of candidates and there was a lot of work to be done.

W That's right.

PO But you would be supportive, would you, of giving the Commission more resources - that's the Electoral Commission --

W Oh, absolutely.

PO -- more resources to manage these sorts of campaigns and the complaints that arise during them?

10 W There is no doubt in my mind they were under-resourced. When I look at the emails that I have here - and I'm happy to leave it as evidence - you know, they were totally under-resourced. And not only that, the pressures of some of the candidates. You know, like, some people just ran a normal campaign. I didn't want to get involved in a lot of the negativity. But some people misused Facebook, and there's common knowledge in some of that, and you guys would have been inundated with complaints.

20 There's got to be some way of protecting people and there's got to be some penalty for people misusing the Commission and misusing the Electoral Commission for their own advantage and their own political purposes to try and sway the vote, especially through the use of digital media now, Commissioner. The digital space is alive and well, but I don't think the laws have caught up with the digital age.

PO I think, Mr PISASALE, you would be aware that we had a public forum run by the Commission last October where we looked into the issue of whether it should be allowed, or in the public interest, that people can complain to us and make it publicly known that they have complained to us during an election campaign, such as the one you went through last March.

30 You would be aware that we recommended that there should be a prohibition on people being able to publicly say and make allegations of corruption and say that they've made the allegations to us before we'd had a chance to investigate them. We were simply recommending there be a moratorium, if you like, of a short three-month period while we looked into the allegation. If there was nothing in it, we'd say so and there would be no harm done. And if there was something in it, we'd investigate it and expose it.

40 But the idea was to protect people, like yourself, as you have complained before, about being the subject of baseless allegations during an election campaign. So I take it you would support the view that we have promulgated in that space?

W One hundred per cent. But I want to let you know that it was easily said, but it wasn't policed. It wasn't policed. It's just amazing, every time there was an allegation put in to me, the media would find out within 24 hours and I had a phone call from the media. You know, it was just ongoing and I resented to get involved, but I can tell you, at the end of the day, if you look at my history and the amount that my family and myself have been harassed with baseless - and the only protection I've had, Commissioner, is to get my own legal advice and seek injunctions against those people when I have been begging for assistance and help. So I would welcome it, and every other candidate and every other decent politician in this country would welcome it.

50

- PO Is it fair to say, Mr PISASALE, that this campaign, the last one in 2016, was one of the dirtiest in your memory?
- W It was just - it was allowed to go rampant, and I just think that the rules of protection and social media, and the way social media operates, allows it, and it's going to get worse and worse unless the rules are there. And as I said before, I think what's happened in this country is the rules haven't kept up with the progress and the speed of social media.
- 10 PO All right. Could I ask you, you mentioned the email that you'd sent to the Electoral Commission.
- W Yes.
- PO Do you have that with you today?
- W I do have it.
- 20 PO Would you mind producing that to Mr RICE? Is that your only copy?
- W No, I'd have it on file.
- PO All right.
- W I'm happy to produce that. (Handed).
- PO Thank you. So you have no objection to us making it part of the exhibits here?
- 30 W No. I think it's important. I think the Electoral Commission does need resources. I suppose the government's always looking at cutting back in regards to resources, but something like an election like that, they need the resources. I'd hardly visit there, but when I went down there, there was just like a scum outside that was just so vicious. I'd never seen anything like it. I just couldn't go anywhere near it. I just felt they were trapped - if they walked outside, it was like caged animals outside.
- PO Yes. Mr WILSON, you have looked at the document and have no objection to it being tendered.
- 40 LR No, no, Commissioner.
- PO I will tender that email and will make that Exhibit 24, thank you.
- W I have other legal letters that I sent to the Commission as well that I never had any responses, in regards to complaints if you'd like to see those?
- PO They were complaints about people using your name and photo on their cards?
- 50 W No, just mainly about candidates that were misusing the system and the response I got back from the Electoral Commission complaint saying that they'd look into it, and I'm still waiting.
- PO Okay. I am quite happy to receive those to complete the record. Tell us how many there are?

- W Just two documents. One from my lawyer and another one in regards to the response I got in regards to the complaint from the Commission.
- PO Okay. Well, I will tender those letters, then. Do you want to show Mr WILSON first?
- LR I don't need to see them, Commissioner.
- 10 PO Thank you. I will tender those and make them together Exhibit 25.
- W And, Commissioner, I'm happy to cooperate in any way. I think this is going to be good for this country and good for this state.
- PO Thank you, Mr PISASALE. I appreciate your cooperation. Could I ask you, finally, you don't receive or accept donations from political parties; is that so?
- W No.
- 20 PO Is there a reason for that?
- W Well, look, to me - you know, I'm a member of the Labor Party, but I think it's important for a mayor of a city to stay independent. Over the years, because of my popularity, I've had approaches from both state and federal candidates to support, and I won't support, because I don't think any person should tell anybody how to vote. I've always stuck by that, and during the last election I got into serious trouble and conflict with a lot of the candidates, because I supported everybody. And to me, I think that's important, because I think people underestimate - underestimate the voter. One thing I can say is that people do not vote at the last minute. They've already made up their mind. And if there's a better system than How to Vote Cards, I'd welcome it, because, at the end of the day, it's a lot of resources, a lot of people, a lot of sunburnt people, and it would be fantastic to have a system - a system that allows the voter to walk up to the booth and make an informed decision themselves.
- 30
- PO All right. If it is the case that a political party is supporting a candidate by way of services or gifts in kind, or donations, you'd agree that should be made apparent; it should be transparently obvious?
- 40
- W Absolutely, and the same with political donations or developer donations. There are rules about the candidate. If you're a sitting member, you have to put all those in. But if an opponent got a donation of \$100,000 before the date that was announced for the donation date, they don't have to declare it. So there's two sets of rules for candidates. It needs to be clarified. If we're going to fix up clarity and we're going to fix up perceptions, people get confused out in the community, especially - because they don't identify that there's local, state and federal. They just think "politician". And they would like to see the rules there similar to everybody, so they understand it. And also candidates need to have the same rules as the elected person. But my advice to those people - if you're going to think that a How to Vote Card is going to get you elected, think again. People vote for what you are doing for their community and what you do for their city.
- 50

PO I understand. All right. That's all I have.

Mr RICE, nothing arising out of that?

CA No, thank you.

PO Thank you. Mr WILSON, do you have any questions?

LR No. And submissions will be invited in due course; is that correct?

10

PO Yes. If we decide to receive or require submissions, we will give you advance warning and will give you plenty of time to prepare something.

LR Thank you, Commissioner.

PO Thank you.

20

Mr PISASALE, thank you for coming and thank you for your indulgence earlier when we needed to adjourn shortly to make sure we finished you. So, thanks for coming and thanks your time.

W Yes. And thanks for the process.

PO Thank you.