



CRIME AND CORRUPTION COMMISSION

TRANSCRIPT OF INVESTIGATIVE HEARING

10 CONDUCTED AT LEVEL 2, NORTH TOWER, 515 ST PAULS TERRACE,
FORTITUDE VALLEY WITH RESPECT TO

File No: CO-16-1664

HEARING NO: 17/0001

DAY 9 – WEDNESDAY 14 JUNE 2017
(DURATION: 00HR 36MINS)

20

Copies of this transcript must not be made or distributed except in accordance with any order made by the presiding officer concerning publication of these proceedings.

LEGEND

PO Presiding Officer – ALAN MACSPORRAN QC
CA Counsel Assisting – GLEN RICE QC
30 HRO Hearing Room Orderly – MELISSA LETONDEUR
W Witness – Hylie Sally Wai CHUNG
LR Legal Representative – Mr C GLENISTER

PO Good morning. Mr RICE.

CA Good morning, Commissioner. The first witness, I call Hylie Sally Wai CHUNG.

PO Ms CHUNG, do you have any objection to taking an oath on the Bible?

W Yes.

10 PO Thank you. Swear the witness, please.

HRO The evidence which I shall give.

W The evidence which I shall give.

HRO In these proceedings.

W In these proceedings.

20 HRO Shall be the truth.

W Shall be the truth.

HRO The whole truth.

W The whole truth.

HRO And nothing but the truth.

30 W And nothing but the truth.

HRO So help me God.

W So help me God.

PO Are you seeking to appear for the witness?

40 LR Yes, I am, thank you, Chair. My name is GLENISTER, first initial C. Solicitor acting on behalf.

PO Thank you, Mr RICE.

CA Just take a seat, Ms CHUNG. Is your name Hylie Sally Wai CHUNG?

W Yes.

CA You're known as Sally CHUNG?

50 W Yes. And my full name is Hylie Sally Wai Kit San [phon] CHUNG.

CA Sally CHUNG is how you're normally known?

W Yes.

- CA Ms CHUNG, are you appearing today in response to a notice that you got to come here?
- W Yes.
- CA Can I show you this document?
- W Yes, that's the document.
- 10 CA Do you have a copy there?
- W Yes, I have.
- CA I'll show you this one.
- W Okay.
- CA Is that a copy of the notice that you got?
- 20 W Yes.
- CA Thank you. I tender that.
- PO Exhibit 121.
- CA Ms CHUNG, you were born in Hong Kong, I think?
- W Yes, I am.
- 30 CA Were you educated in Hong Kong?
- W Yes.
- CA To what level?
- W University. Bachelor of Arts.
- CA From Hong Kong University?
- 40 W Hong Kong University.
- CA When did you come to Australia?
- W I came to Australia in 1989 to start an MBA at University of Queensland.
- CA Did you complete that degree?
- W Yes, I completed in 1991.
- 50 CA You took an interest in the travel industry, I think; is that right?
- W Yes. A few opportunities came up and just started working in the travel industry.
- CA After university?

- W Yes. After university, back to Hong Kong, and back to Queensland, and the opportunity to work in the travel agent, and then working from there as a travel business.
- CA Did you commence employment as a travel agent in Queensland?
- W Yes, yes.
- 10 CA Later, you established your own business, did you?
- W Yes, and take over the share from existing boss, and then gradually start as my own business.
- CA It was someone else's business beforehand, was it?
- W Yes, it is.
- CA Is it called Holiday International Golden Travel?
- 20 W Yes.
- CA Is that now your business?
- W Yes, it is now my own business.
- CA For how long have you been running that business?
- W In that, since 1999.
- 30 CA Do you have business premises?
- W Yes, it's in Mermaid Beach since 1999.
- CA Is that the only office premises you've got?
- W Yes.
- CA At Mermaid Beach?
- 40 W At Mermaid Beach. The daily operating premises in Mermaid Beach.
- CA You're also, I think, an officeholder in an organisation called the Australia-China Chamber of CEOs?
- W Yes, it's a non-profit organisation. There is-
- CA What's its purpose, can you just explain?
- W The purpose is we try to do some exchange between Australia and China in the cultural exchange and business exchange.
- 50 CA What kind of exchange?
- W Let's say if we got some Chinese delegates who come from China, then we will match them up to have some contact with local business, as well as to get some local guidance from local government.

- CA Do you hold an office in that organisation?
- W I am the vice-chairman in that organisation.
- CA Just getting back to your business, you've mentioned that you operate out of Mermaid Beach?
- 10 W Yes.
- CA Do you have any business interest in Logan City?
- W At one stage, I'm thinking that Logan will be a possible location to expand my business, but that kind of expansion takes time to be real. And we tried - I did have at one stage to have a point of presence in one of the Logan areas, and when I go to Logan with some delegation, I think there is some space that I can use as a meeting space or for the delegates when they come from overseas.
- 20 CA Is that part of your travel business, though?
- W Yes, it is part of the itinerary, that when I prepare the itinerary, I need to show them what are the schedule, and the schedule - we got Gold Coast, we've got Brisbane and also got Logan, because we try to promote all these three cities nearby the Queensland area, and that's why every time when we have the delegation visit, I will plan as part of itinerary, and that's why as part of itinerary I need some meeting place, and that's why I will use one of the spaces in Logan.
- 30 CA You mentioned a meeting place?
- W Yes.
- CA For what purpose? For a meeting of some kind, presumably, but can you explain?
- W The meeting place is when we've got visitors coming, then we drive them around, sometimes we will meet in that Logan office, and because it's not really my office, but a short-term arrangement in that Logan office.
- 40 CA So have you rented some office space in Logan?
- W Yes, and just - yes, we did have a rental arrangement, and if I can rent that one, and that rental office will allow me to have a space, and then they also got all different kinds of supporting to be the Chinese interpreter. That means that one who's renting that office to me, it's not just the space but also have some other ancillary support to build an itinerary.
- 50 CA I take it your business is run out of Mermaid Beach, but you-
- W It is not run out of Mermaid Beach. It is the travel business. You need to go everywhere.
- CA Yes, okay.

- W The actual point of operation is Mermaid Beach, but we need to go to - let's say if we go to Brisbane, we need to ask someone to provide me a space so that we can have a conference, and sometimes we need to pre-book some conference area, and that's the way that I may have some - I have some space through the chamber's affiliated network, and they did offer me a space.
- CA From what you're saying, can I ask you this about your travel business-
- 10 W Yes, it's about travel business.
- CA Do you specialise in a type of client? Like, do you deal with tourists or businesspeople or both, can you tell us?
- W Both.
- CA The kind of meetings that you refer to, would they be for, like, business travellers?
- 20 W Yes, we got some business delegation as well as an FIT tourist and traveller. We got both.
- CA Would you take tourists to Logan City?
- W Tourists is only people for sightseeing, and then business delegation, it is sightseeing as well as some meeting.
- CA So do you have occasion to take clients to Logan for business meetings?
- 30 W Yes.
- CA As part of your travel package that you're arranging?
- W Yes, yes, that's right.
- CA Do you get work arising out of your participation in the Australia-China Chamber of Commerce?
- W Yes, I do, because - and they refer lots of clients.
- 40 CA They refer clients to you?
- W Yes, to do travel business with me.
- CA The kind of delegations that you were speaking about earlier?
- W Yes, that's right.
- CA You might arrange travel for them?
- 50 W Yes.
- CA Do you provide any travel agency services for the Logan City Council?
- W Yes, I do. Three, four years ago, one of the council officers asked me, "Can you provide me some itinerary and the price for the trip to China?"

And I did have an itinerary confirmed, and then it was confirmed that Logan City Council accept my quote and asked me to arrange the ticket.

CA Was that an officer of the council?

W Yes.

CA Was that for official business?

10 W Official business. And the other thing - the most recent one is they need to book accommodation in China, and I helped them to book it, and then I paid on the council's behalf, and then I sent them an invoice, and then they reimbursed me the expenses that were spent for the accommodation.

CA Could you tell us, if you can, about how many times have you arranged travel for officers of the City Council?

W Two times.

20 CA Just two?

W Yes.

CA Do you know the Mayor, Councillor Luke SMITH?

W Yes, yes, and the Mayor that I come across with is during that kind of official trip to China.

CA You might have to explain that.

30

W Okay.

CA I was going to ask you how you first came to know him. Perhaps you could tell us that?

W Okay. The first time when I was approached by Logan City Council to quote the itinerary and then I was - because I'm not a local business, I asked the local Logan City Council officer, "Can our company also come on board to join the Asian trip with the Mayor?" At that time, I think it is Mayor Pam PARKER. And he said, "Okay, you are more than welcome to join the Logan City trip."

40

CA Do I understand that you arranged a trip for Mayor PARKER?

W I mean, for that particular - yes, it is for Mayor Pam PARKER. But at the end, Mayor Pam PARKER did not go, and the other Logan City councillor go, and Luke SMITH is one of them.

CA So he took a trip to China?

50

W Yes, he is involved in part of the trip, because the trip had Korea, Singapore and China, and he is part of the trip.

CA And you arranged that?

W Yes, we arranged that.

- CA Was that one of the two occasions that you spoke about, that you had provided travel services for someone from the council?
- W Yes, yes.
- CA Was that the first one?
- W Yes, that's the first one.
- 10 CA How long ago was that, do you remember?
- W Three years ago.
- CA Did you meet him in the course of arranging that travel?
- W Not directly meeting. It's through the email.
- CA Email, yes.
- 20 W Emails and Logan City Council economic development officer sent me the email to get quote and then we replied to them. Mostly through email and sometimes we will talk over the phone to clarify some details.
- CA Did you meet him in person at some stage?
- W In person it is - at one stage we meet him in the - and for that particular trip, I did not go myself. Instead, my partner attended the trip, and my partner met him in person during the trip.
- 30 CA What was the reason for your partner going on the trip?
- W He is the - my travel business partner. He's working with me in the same company.
- CA Yes, but why would someone from your business go with the councillor on this trip?
- W We tried to expand our travel business to get more inbound business. And that's why we need to go explore into China. And I did attend another Gold Coast City Council trip to China in 2007 and-
- 40 CA Who are you speaking of?
- W 2007.
- CA Yes, but who are you speaking of?
- W Gold Coast City Council.
- 50 CA Yes.
- W At that time, I go with the Logan City Council, and Ian is one of the Logan - Gold Coast, sorry, Gold Coast City Council officer, and also leader at that time is by Councillor YOUNG. And I think following the council trip to China, we can get more information and, through that

information, get a lot of contacts and these kinds of contacts will enable us to build up our knowledge and then to go into that kind of market.

CA But getting back to Councillor SMITH, I was asking you did you meet him in person at some stage?

W Yes, I did meet him in person in some of the - in Christmas gathering. We've got some Christmas party for our members, and also some members meeting.

10

CA Member of what?

W Of the Australia-China Chamber of CEOs.

CA Did he come to a function?

W Yes.

CA At Christmas?

20

W Yes.

CA Okay. Does he have any regular association with that chamber?

W I think so, because every time when we got a function, we will invite different government representatives to come and support.

CA Do you see him there-

30

W Yes.

CA -at meetings of that kind?

W Yes.

CA With what frequency, can you tell?

W Not really frequent. Only if we got some delegation coming or we got some special timing. Maybe from memory, two or three times, the meeting in person.

40

CA Would you say that you were friendly with - or friends with Councillor SMITH?

W It is not personal friends. It's just friends because I know him.

CA As part of your business network?

W Yes, yes, you are right, yes, part of the business network.

50

CA And you see him sometimes at functions at the Australia-China Chamber?

W Yes, yes.

CA Do you know a lady called Vicky YU?

- W Yes, she is the secretary of the chamber.
- CA Do you know if she gave some assistance to Mayor SMITH for his 2016 election campaign?
- W Yes, yes, she is the one helping the Logan City Council and-
- CA Do you know what assistance she gave to the campaign, to the Mayor's campaign?
- 10 W I don't know whether she was in the campaign. I just know that she - because she has been involved with a lot of community as well and she got lots of contacts and she knows many people, and she's helping most of other community as well as some government, and just what I know, she is really well known in most part of the community-related services. And she is also the key person helping me for my travel business expansion and she got good language skills. She is fluent in English, Cantonese and Mandarin. Sometimes she does the interpretation when we got Chinese delegation coming, she will do some interpretation.
- 20 CA Did she speak to you at any time about-
- W Yes, always.
- CA -assisting with Mayor SMITH's campaign?
- W Yes, yes.
- CA What did she tell you she was doing to help him?
- 30 W She just say, "As the chamber, can we do something?" And that's why as the chamber, we do want to do something, and to do something is for the benefit of everyone, including in the government and country-to-country exchange, we try to build the exchange between two countries. While building the exchange with two countries, it will benefit both. And of course when we put in the itinerary, it will have local business involvement.
- CA Do you know whether she or any other member of the chamber gave assistance to any other candidate in the local government elections in 2016 apart from Councillor SMITH?
- 40 W I can't tell. For myself, I did also support Gold Coast City Council election for-
- CA 2016?
- W Yes, 2016, for Councillor Peter YOUNG.
- 50 CA Councillor?
- W Councillor Peter YOUNG.
- CA Peter YOUNG. Right.

- W And that's why I mentioned I came across with him in 2007. I meet him in the mission and the other one is Susie DOUGLAS.
- CA What council is she involved in?
- W I think she ran for one of the divisions in Gold Coast in 2016.
- CA So you helped out a couple of councillors-
- 10 W Yes.
- CA -from the Gold Coast in 2016?
- W Yes.
- CA Or a couple of candidates, anyway?
- W Yes, I helped. Actually, the reason I helped is when I am involved with all different community events or functions, most of the people will get my business card, and it's natural that they will contact me and, "I'm running election, will you be able to support?", and I would just support to the level that I think it will be good, because I personally meet Councillor Luke SMITH and Councillor YOUNG and Councillor Susie DOUGLAS, and that's why they will approach me whether I will be interested to support them, and that's the reason that - if they don't approach me, I may not be taking proactive and say, "I want to support you." I will only support if they - I was being asked. Then when I was being asked, I will judge what kind of level I can support, what is the way that it will be good for - based on my position.
- 20
- CA Do I understand you correctly that you would provide support if you were asked to do so?
- W Yes, yes.
- CA Were you asked to support the two Gold Coast councillors who you have mentioned?
- W Yes.
- 40 CA What kind of support did you give them? Was it financial or something else?
- W I think for Susie, Susie DOUGLAS - I did promise and then donated \$1,000. And then for Peter YOUNG, I said I can volunteer my time.
- CA So \$1,000 to Councillor DOUGLAS?
- W Yes.
- 50 CA And you donated time to Councillor YOUNG?
- W Yes, and then-
- CA Were you asked to do that by those people?

- W Yes, they asked me what can I support, and that's the way I support them. And for Logan, I know running for Mayor is a more senior position, and running for a councillor is a bit less demanding, and I think for Logan we tried - we know that Logan will be the future development area for business sake, and I think if Logan can develop, the Logan City Council can develop, I think there's some opportunity for everyone in the business. And as the Chamber of CEOs, I think if Logan can grow, all our networking team will benefit, the same as Gold Coast and Brisbane.
- 10 CA So if Logan was to grow and develop as a city-
- W Yes.
- CA -do you think that would have any benefit to your business?
- W It is not direct benefit to my business. It will be indirect benefit.
- CA I beg your pardon?
- 20 W Indirect benefit.
- CA Indirect?
- W Yes.
- CA In what way, can you explain?
- W Let's say if we - as I explained, I have been involved with a lot of business delegations and I try to promote how good different city is. And while promoting Logan City, it is something of an opportunity of future, because existing city in Brisbane and Gold Coast, they are existing already; it's hard to get any good opportunity. And to make an overseas investor - a point of difference of seeing things, of investment, I think they may try to consider Gold Coast, Brisbane as well as Logan, and that's the thought I have in mind. Maybe it's a good point to promote Logan and to get Logan to be in a good position to develop and the personal contact by me with Luke SMITH, I think he is a capable, proactive gentleman who may help the city to grow.
- 30
- 40 CA Did you provide some assistance to his mayoral campaign in 2016?
- W No, no.
- CA Did you provide some financial assistance in some way?
- W And the financial support is among the Chamber of CEOs, we have been thinking that our chamber has support from all different local cities - and Logan of course is one, and we are thinking we have some - including Vicky, and then we are thinking is there anything that we can support?
- 50 That's the reason, when we are asked about - actually through Vicky, we are asked can we do any promotion material to support that particular campaign? And we are thinking, oh, maybe we can do some T-shirt or something that can do - for that campaign.

- CA This kind of assistance that you've been talking about, did you intend that it would be assistance from you personally or from the chamber, the Australia-China Chamber?
- W Yes, I think it's from the chamber.
- CA You had some talk with other people from the chamber about lending assistance?
- 10 W Yes, providing - yes, providing assistance.
- CA To Councillor SMITH or beyond that? Well, who did you intend to benefit from the kind of assistance that you were speaking with your colleagues about?
- W The one who can benefit is for the overall benefit of the chamber and all the members of the chamber.
- 20 CA Well, to be more specific, did you arrange, with members of the chamber, for some assistance to be given to Mayor SMITH's campaign?
- W Yes.
- CA What was that?
- W Can you repeat again?
- CA You've mentioned that you had some discussion with colleagues from the chamber.
- 30 W Mmm.
- CA About assisting with the election; correct?
- W Yes.
- CA Was there talk of assisting with Councillor SMITH's campaign?
- W Yes.
- 40 CA And did that lead to some assistance being provided?
- W Yes.
- CA I want to ask you, then, what was the assistance that was provided to Councillor SMITH's campaign?
- W Yes, and I think at the end they came up with a donation of \$35,000.
- 50 CA Well, whose money was that?
- W That money is from our travel agent.
- CA Did the money come out from your business?
- W Yes.

- CA So it was really a donation from your business to Councillor SMITH's campaign?
- W Yes, mmm.
- CA But you had talked about it, had you, with other members of the Australia-China Chamber?
- 10 W Yes.
- CA How did you come to be the one who actually gave a fair amount of money like that?
- W Yes, because I am the active committee in the chamber and because I think I did involve with the Logan City Council as before and I think, it's good that I can do something for the council, but not in particular for a particular person, but for that particular person, it's someone I know and I want - I can't support someone that I don't know, because I also was
20 approached by other people, "Would you like to support the other candidate?" Luke SMITH is not just the only candidate I was being approached through the network group.
- CA Other people, other candidates, asked you for assistance, did they?
- W Yes, yes. They got too many candidates during the campaign period asking, "Would you be considering helping or supporting?" And the reason we chose Luke SMITH, as what I explained, I know him personally and that's why we just put that donation in. And people asked
30 me to help other candidates I don't know, and that's why - I don't know how good their policies is. There's no point for me to think to donate for other candidates.
- CA Did Councillor SMITH, or someone on his behalf, ask you to make a donation?
- W No, and that's why - and most of the conversation among our chamber is with Vicky. The key people I discuss is with Vicky.
- 40 CA I thought you mentioned earlier, when you were speaking about the Gold Coast councillors-
- W Yes.
- CA -and also Councillor SMITH, you said, I think, that you would assist them if you were asked to do it?
- W Yes, of course, if I was asked.
- 50 CA Well, this is really what I'm asking you concerning Councillor SMITH: did he ask you to assist him?
- W He did not. I think he may ask other member of the Chamber of CEOs, and among the Chamber of CEOs network, and I was approached by Vicky, "Are you considering doing support?", and I just budget my thing

to balance what kind of support, and they're saying, "Sally, maybe do you think you can put \$35,000?" I would say, "Let me work it out."

- CA As you understand it, did Councillor SMITH make some approach to the chamber for assistance?
- W Yes.
- 10 CA Not directly to you?
- W Not directly with me.
- CA And then members of the chamber spoke to you about whether you could give some assistance?
- W Yes.
- CA And, what, you went back to look and see how much you could afford, did you? Or how did you work out what amount you would assist with?
- 20 W I think that's the amount that I was told by Vicky.
- CA Told what?
- W About the 35,000 donation to pay for the Australia Post office for information distribution.
- CA Did she mention that figure, 35,000?
- 30 W Yes.
- CA To be used for what purpose, could you explain?
- W To get information material out to the general public through the Australia Post.
- CA Through Australia Post, okay. So a figure of 35,000 was mentioned to you?
- 40 W Yes.
- CA Did you consider that?
- W And it took a while for me to really consider whether it's worth it or not. I really struggled to think why should I put that money? I only give \$1,000 to Susie. And at the end, I think if we can put a good - get a good Mayor at the outcome of the election, I think that contribution is still reasonable.
- 50 CA So you decided to do it?
- W Yes.
- CA Do you recall who you paid \$35,000 to?

W It's the Logan Futures. I got the invoice from them. After I confirmed with Vicky, "Okay, I will be considering for that donation", then they sent me an invoice for that \$35,000.

CA You've got a copy of that there, have you?

W Yes, I've got a copy.

10 CA I'll show you another copy of it, if that's okay. There's a bundle of invoices, Commissioner. It's Exhibit 116. Perhaps if I could see that, I'll isolate the particular one. I have a number of invoices here that I'll show you, but I think the particular one that you're concerned with is the one I'm going to show you.

W Okay. Yes, yes.

CA That's a copy of the invoice you got from Logan Futures?

20 W Yes.

CA And do you see it displayed, I think, on the screen also?

W Yes.

CA So just to confirm, the money, the \$35,000, was it paid to Logan Futures?

W Yes, yes, according to the BSB number and account number.

30 CA Was it an electronic transfer?

W Yes, yes, I got the bank statement here. I can give to the attendant.

CA That's okay. If you just confirm, it came out of your business bank account, did it?

W Yes, yes, it did.

CA By way of transfer to Logan Futures' bank account?

40 W Yes.

CA As shown on the invoice?

W Yes, that's right.

CA How did you come to get the invoice itself?

W Vicky forwarded it to me.

50 CA Did ask you for it?

W I didn't ask for. This one, I promised I would consider the donation, and then - because most of the time, it will - because Vicky is the secretary, she will be the main person of contact with any people inquiring outside the chamber network, and then he - she is most of the time the first point

of contact, and then when she got that information, then she will pass on to me.

CA Did you get any other kind of receipt for the transfer of money that you made?

W No.

CA Just the invoice?

10

W Yes.

CA Which was given to you by Vicky?

W Yes.

CA Did anybody tell you that giving a donation to an election campaign like that for a large sum of money meant that you would need to complete a disclosure return and give it to the Electoral Commission?

20

W No.

CA Nobody told you that?

W I was never told.

CA And you weren't aware of it?

W Not aware of it.

30

CA So you didn't put in a disclosure return?

W No.

CA Relating to that money?

W No. I think the other receiving party would do the right thing. Same as Susie, when I put the 1,000, and Susie came to see me, "There's some information I need you to fill in and then sign it." And I think it is after - after the donation time, she came back to me at one stage.

40

CA She came back to you?

W Yes.

CA And got some details from you?

W She personally came and said, "Sally, I need you to sign that particular paperwork to be reported." But I was not approached by Logan for that donation.

50

CA And you weren't asked to complete any of the kind of details that you gave Councillor DOUGLAS?

W And I think councillor just came to see me to fill in the information, and then I signed it.

CA Yes, okay. That's the evidence, Commissioner.

PO Thank you, Mr RICE.

Mr GLENISTER, do you have any questions?

LR No, I don't, thank you, Chair.

10 PO Ms CHUNG, you are excused. Thank you for your attendance.

UNPROOFED TRANSCRIPT