



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 8 - TUESDAY 13 JUNE 2017
(DURATION: 2HR 25MINS)

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LEGEND

30 **PO Presiding Officer – ALAN MACSPORRAN QC**
 CA Counsel Assisting – GLEN RICE QC
 HRO Hearing Room Orderly – MELISSA LETONDEUR
 W Witness – Timothy Luke SMITH
 LR Legal Representative – Mr M S TRIM, instructed by Gadens Lawyers

CA Commissioner, I call Councillor Timothy Luke SMITH.

PO Mr SMITH, do you have any objection to taking an oath on the Bible?

W Not at all.

PO Thank you. Swear the witness in, please.

10 HRO The evidence which I shall give in these proceedings.

W The evidence I shall give in these proceedings.

HRO Shall be the truth, the whole truth and nothing but the truth.

W Shall be the truth, the whole truth and nothing but the truth.

HRO So help me God.

20 W So help me God.

LR My name is TRIM, initials M S, of counsel. I appear for Mr SMITH, instructed by Gadens Lawyers.

PO Thank you, Mr TRIM.

Mr RICE?

30 CA Is your name Timothy Luke SMITH?

W Yes, it is.

CA Mr SMITH, you are Logan City Mayor; is that right?

W That's correct.

CA You are appearing today, I think, in response to a notice to attend?

W That's correct.

40 CA I'll show you this, to begin with.

W Sure.

CA Is that a copy of the attendance notice you received?

W I believe that's the case, yes.

CA I tender that, Commissioner.

50 PO Exhibit 103.

CA Councillor, you successfully contested the mayoral election in Logan in 2016; is that correct?

W That's correct.

- CA You had previously served as a councillor?
- W That's correct.
- CA Going back, I think, to 2004?
- W 2006.
- 10 CA 2006, okay. That was pre-amalgamation?
- W That's correct.
- CA Which council were you a councillor for from the 2006 elections?
- W Logan City Council.
- CA And then you contested subsequent elections?
- 20 W That's correct, yes. So 2006 was a by-election. I came in on a by-election. 2008 was the next full-term election.
- CA And that was the amalgamation election?
- W That was amalgamation, yes.
- CA You were a councillor, I think, for Division 6 from the 2008 election?
- W That's correct, yes.
- 30 CA And then successfully elected again as councillor in 2012?
- W That's correct.
- CA Again for Division 6?
- W That's right.
- 40 CA You have something of a Liberal National Party background; am I right?
- W I was in the LNP for, I think, three years, by memory.
- CA Over what time frame, councillor?
- W I can't remember the actual date I joined, but it would have been somewhere between 2009 and 2011.
- CA For how many years were you a member?
- 50 W I believe three years, but I can't recall the whole - off the top of my head exactly how long I was there.
- CA You also contested a federal election, I think?
- W That's correct, yes.

CA Would that be the 2007 federal election?

W I think it was 2010.

CA 2010?

W 2010, yes. That was in the seat of Rankin.

10 CA Were you a sitting councillor by then?

W That's true.

CA You would be able to maintain your position as a councillor while contesting the federal election?

W Yes, I was.

CA Not successful on that occasion?

20 W I was not successful, no, for the federal election.

CA But you were running as a Liberal National Party candidate?

W That's correct.

CA Moving forward, then, to the 2016 election, can I just ask you about your How to Vote Cards.

30 W Sure.

CA There are a couple of different versions of your How to Vote Cards; am I right? We'll have a look, anyway.

W Okay.

CA There are actually two sheets here. Can I show you these?

W Of course.

40 CA Are they two How to Vote Cards of yours?

W One is a How to Vote Card, and the other is just signalling the commitments I was making to the community at the time.

CA I'll tender those as one exhibit, Commissioner.

PO Exhibit 104.

50 CA You described, I think, on the sheet that is now being displayed those as being a number of your commitments; is that the correct word that you used?

W Yes, that's right.

CA One of them is that you are an independent candidate?

W That's correct.

CA I am just querying what content you give that, given your prior membership of the LNP and your having contested a federal election as an LNP candidate? In what sense do you use that word?

W In what sense do I use the word "independent"?

10 CA Mmm.

W In the sense that I am not a member of the party, nor was I a member of a party, when I contested the election in 2016.

CA Did people ask you about any political alignment in the course of the election campaign?

W No, not at all.

20 CA Not at all?

W No.

CA Can I show you this version of a How to Vote Card. Again, there are two sheets. One is a How to Vote Card; am I right?

W Yes.

30 CA The second sheet is a list of commitments. I think it may even be the same list as the first one I showed you?

W That's correct, yes.

CA The How to Vote Card in this instance depicts the Mayor as she was until the 2016 election, Pam PARKER, and depicts her showing - or words to the effect of supporting you as Mayor. Can you tell us at what stage you got that endorsement from her, what stage in the campaign, so as to be able to construct a How to Vote Card like this?

40 W Yes. I can't remember the exact date.

CA No.

W It was, by recollection, I think two months before the actual election and - yes, probably two months before the actual election.

CA It was sufficiently attractive for you to have her endorsement that you chose to include it on your How to Vote Card for publication?

50 W Of course.

CA If you had had that endorsement earlier in the piece, do we take it that it would have appeared on the other version of the How to Vote Card that I showed you?

W Not really, I don't think. Look, I can't remember the conversations

we had at the time, but for the election day we definitely utilised the emphasis of the previous Mayor's support.

CA You say "for election day". Was this form of How to Vote Card prepared for distribution on election day?

W I actually can't recall, to be honest, but I believe that's the case.

10 CA Is it right to say, just to sum it up, that sometime in the course of the campaign, she actually gave you her endorsement?

W Yes.

CA But that was partway through the campaign?

W Yes.

CA You can't recall when?

20 W I can't recall, but it was closer to the end of the election period than earlier.

CA And that prompted you to include that endorsement on a How to Vote Card?

W Yes.

CA For distribution on election day?

30 W Of course, yes.

CA And possibly before that?

W And approved by the Electoral Commission.

CA I tender those two sheets of How to Vote Card and list of commitments.

PO That's Exhibit 105.

40 CA Mayor PARKER signalled her intention not to contest the 2016 election fairly early in the piece, didn't she?

W One year, I believe.

CA Did that prompt you to consider your own position in terms of whether you might be a candidate?

50 W People had asked me to run for Mayor well before I actually announced. In my last term as councillor, there were quite a lot of people within the community, and in council, who were asking me to consider running for Mayor whether Mayor PARKER was going to run or not.

CA Even before she signalled her intention to resign?

W That's correct. And it was certainly something on my radar. It's not

something that I actually decided to do until the very last year of the 2012 term.

CA So you were considering being a mayoral candidate even before she announced her intention to resign?

W People were asking me to do that, that's correct.

CA When did you decide that you would be a candidate?

10

W Roughly around the same time that Mayor PARKER made her announcement that she was going to not contest the next election. It was probably an opportune time. The media actually came to me at that time because there was a wide rumour that that was my intention. I hadn't yet decided to do that. I spent a lot of time with my family having a conversation about what that means. It takes a lot from your family to be the Mayor, so I wanted to make sure they were with me and behind me. So it would have been a couple of months after Mayor PARKER made her announcement, but I can't remember the exact date off the top of my head.

20

CA All right. We might go to some documents that might help you.

W Sure. That's fine.

CA Logan City covers a very big area, does it not?

W Yes, it does.

30 CA You had previously contested, I think, three elections as a councillor, an individual councillor?

W That's correct.

CA But a mayoral election is a different kettle of fish; correct?

W It's a huge effort, yes.

40 CA As a consequence, it's fair to say that you needed to attempt a much bigger campaign than you had conducted as an individual councillor; would that be right?

W That is obviously correct, yes.

CA So the question posed itself for you, did it, as to how such a campaign might be run?

50 W Yes. The question did pose itself how to run a campaign. It's a large area, it's 960-some square kilometres of land, to try and reach, with 313,000 residents. It's a lot different to, say, 16,000 voters in a division that I was used to.

CA Being a bigger campaign, it costs more; correct?

W That's correct, yes.

CA That's something that you appreciated?

W That's something we knew. We actually had to identify how we could raise funds to support the campaign, that's correct.

CA You did, in the end, raise a very large amount; am I right?

W That's correct.

10 CA I think, according to one of the disclosure returns, it's in the order of \$377,000?

W That's correct.

CA What were the means of raising that? There were donations, I think, from donors?

20 W Yes, there were donations. We had a couple of fundraising events, golf days, dinners, and events like that where people had opportunity to donate.

CA So there were fundraising events of the kind you described?

W That's correct.

CA And donors also?

W That's correct.

30 CA Are they the two forms of money that you received to assist with the campaign?

W Yes, mainly donors and fundraising events.

CA You actually announced your candidacy, I think, in early July?

W Honestly, I can't remember the date.

40 CA I think you had said that to the investigators when they spoke to you. Does that sound right?

W It does sound-

CA 1 July or thereabouts, you made an announcement?

W I can't recall the exact date off the top of my head, but if that's - I understand-

50 CA Do you accept that's what you said to the investigators when they asked you about it?

W Sure.

CA The planning for your campaign had been going on for some time before that, can I suggest; is that right?

W That's correct.

CA Can I show you this document.

W Thank you.

CA Is that a set of minutes for a meeting of a campaign executive group dated 22 April 2015?

10 W Yes, they're certainly called minutes. What the intention of this document was-

CA I will just get you to identify them first, if you don't mind.

W Okay, sure.

CA Are they the minutes of that particular meeting?

W Yes.

20 CA I tender those minutes.

PO Exhibit 106.

CA And we will discuss it. It follows, does it not, from the fact that such a meeting was held on 22 April that you had by then decided to be a mayoral candidate; correct?

W Well, I had massed around me some people who had run campaigns before. I sought advice from people I trusted to see if me running as Mayor was actually something that I could do and also wanted to get advice on how to do it, so-

30 CA But you had really decided by the time of this meeting-

W We decided that was the option and then to investigate further on how we would go about that, if that was the case. But obviously until I announced my candidacy, I wasn't running. And until in fact the Electoral Commission - until I actually sign up to the Electoral Commission, I'm not a candidate for the election, anyway. So these are just simply actions to see - for us, mainly my wife and I, to ascertain whether it's something we could achieve.

40 CA You say you hadn't made a decision to be a candidate at the time this meeting was held?

W We had certainly decided to go down that track, and so we spent time with people who could help us understand what that looks like and what we would need to do to make that happen, and that's what these minutes are reflecting here.

50 CA They reflect, don't they, a mayoral campaign executive meeting, as the title suggests?

W That's correct.

CA Whose premises are they at 111 Eagle Street?

W That is at Gadens Lawyers.

CA The group that was gathered for that meeting included you and your wife. We see the list of attendees there. Could you perhaps tell us in what capacity the others attended?

10 W Sure. Would you like me to go through the names individually?

CA Yes, please.

W Geoff MULLINS is a friend of mine who I worked with when I worked at Channel O, then Channel 10, and so he was there to help with any potential media advice. Nathan is - his name is spelt incorrectly there, but Nathan was actually in a process of studying and was wanting to do an internship with someone running a campaign, and so we brought him on for that process as well to help us with some advice. Jim SOORLEY has been a mentor of mine since 2008 and has also had experience in running campaigns. Don CLEARY is the person who ultimately helped us establish the Logan Futures company.

20 CA Is he from Gadens?

W Yes, at the time. Lawrie DORE is a close family friend. Rhonda DORE is a close family friend and ultimately was a director for Logan Futures because of her understanding in accountancy. And the other two were apologies. Would you like me to talk about them as well?

30 CA Just for completeness, yes.

W Sure. Grant DEARLOVE is currently, I believe, the acting CEO for Shine Lawyers and has been a friend of mine for sometime. And Andrew PARK is a friend of mine and currently the Honorary Consul for Thailand.

CA Did you arrange the attendance of those persons?

40 W Yes, I did.

CA We see from the minutes that the very first item involved discussion about the establishment of a shelf company for fundraising activities?

W That's correct.

CA Why was that desirable?

50 W I'd been investigating the best way - obviously before this, and as I've already said, we were certainly looking toward running a campaign for me to become the Mayor of Logan. I'd spent some time with the Electoral Commission to try and understand the best way to handle a large amount of funds. We recognised that we would need roughly between \$350,000 to \$400,000 to run a very decent and professional campaign, given that it was my first campaign as Mayor.

Every time I contacted the Electoral Commission, I would get different advice, and it was very frustrating, to be honest. I would personally call and I would get one set of advice on how to run the dedicated bank account or advice on how best to handle large amounts of funds. I contacted them at least three times, and each time I got different advice from the Electoral Commission.

10 That's when we decided - or I asked Don, in conjunction with Grant DEARLOVE, to work with the Electoral Commission to establish a mechanism in which we could both handle the dedicated bank account and also handle the funds that would come in that would comply with Electoral Commission laws.

CA But why use a company for that purpose as opposed to using your own name and a bank account in your own name, as many do, I think you are aware?

20 W I understand. The reason for that was - as I said, there's a large amount of money that we believe would be coming in during the campaign. I did not want that money anywhere near me or my family home. I wanted it to be open and transparent through a Pty Ltd company-

CA How does that assist transparency? I am sorry to interrupt you, but since you have mentioned that, how does having a company assist with transparency?

30 W My understanding from the advice I got from Mr DEARLOVE was that the Pty Ltd company was the most stringent in corporate law and is also the most transparent as a company. So we wanted - for me personally and my wife, given the large amount of dollars that were coming - that would be coming in, we wanted to ensure it was properly accounted for by people that we trusted and the people that had better ability to handle large amounts of funds than me while I was on the run trying to run an election at the same time.

CA So it had perhaps workload and accounting benefits in the sense that other people would be responsible for the paperwork that was necessary to meet lawful requirements?

40 W That's correct. And, Mr RICE, what you have to understand is everyone who helps us on this is volunteering, and so while we were running a very lengthy, very difficult campaign, we wanted to make sure that there was someone dedicated overseeing the books of the Logan Futures account, and that is why we asked both Mr DEARLOVE and Ms DORE to do that.

CA What particular qualities did they have that suited them, so far as you were concerned, for such a role?

50 W Rhonda DORE was Australia's second female bank manager. She operated the accounts of her own business. She had a home loan company herself. I know she helps her own husband's business. And in accountancy, she is well equipped with handling dollars like this.

Mr DEARLOVE has a Harvard degree in leadership, also has a degree in - he is a litigation lawyer for corporate law and is also

an international director for international companies. So I felt that both of them were more than qualified to handle both the dollars and also the requirements of the law to comply.

- CA Mrs DORE, in particular, could be relied on to keep good books; is that how you saw it?
- W That's correct, yes.
- 10 CA Did you select her for that role?
- W That's - yes, I did.
- CA On that basis, to sum it up, that she could keep good books?
- W That was one of the reasons. The other reason is I trust her implicitly.
- CA And she was agreeable to act in that capacity?
- 20 W Yes, that's right.
- CA On a voluntary basis?
- W That's correct.
- CA And likewise Mr DEARLOVE?
- W That's correct.
- 30 CA He was not so involved, was he, subsequently in the keeping of the books and managing of the inflow and outflow of amounts of money?
- W On a daily operational basis, no.
- CA In fact, it was Mrs DORE who was keeping the financial records that were necessary?
- W That's correct, yes.
- 40 CA Did you appreciate, even at the time you were discussing this, that that kind of arrangement would likely lead to an obligation by the company to submit a disclosure return for donations that it received?
- W Yes. In fact, it was at my request that the directors not only disclose the - not only put in a third party return but also disclose the books on who gave to the company during that process, which is not something that's required by the Electoral Commission for a third party return.
- 50 CA This discussion about the establishment of a company and also the opening of a bank account that would have been necessary-
- W That's correct.
- CA -signals, doesn't it, that this was a serious proposition on your part?
- W Of course.

CA To go ahead with this campaign?

W Of course, yes. We were at this stage - I am assuming you are still talking about the minutes in front of me? At this stage, we were moving down the track of me running a campaign for Mayor. We were still ascertaining what we had to do to make that happen. And bear in mind, at this time, we had no money at all to do that. So everything we were doing at this stage, in April 2015, was just to move through the process to see what it would look like for me to run for Mayor.

10 CA In the ensuing weeks, a company was set up, wasn't it?

W That's correct.

CA At someone's cost?

W Yes, mine.

20 CA You wouldn't have paid that without having decided you were going to be a candidate?

W And that's what I've said. We were in the process of actually making that decision. But, as you know, Mr RICE, I'm not actually a candidate until I sign that agreement with the Electoral Commission.

CA Okay. But you were making preparations; this is clearly making preparations for your campaign?

30 W Yes, that's correct.

CA On the footing that you would run when an announcement was made and when the candidacy was formally entered?

W That's correct.

CA You actually see in these minutes on page 2 - you mentioned a figure before that you thought would be necessary to run a nice campaign. I think you mentioned \$350,000 to \$400,000. We see a different figure at the top of page 2. There was a target of \$500,000. Where do you get figures like that, between \$350,000 and \$500,000? How do you arrive at that, or is it a figure plucked out of the air?

40 W No, it wasn't a figure plucked out of the air. We had spent a lot of time costing - again, this was still an investigation process for my wife and I. It cost \$35,000 to post one letter across the city. That's just postage. That's not graphic work, that's not envelopes; that's just postage. We calculated that we would probably need to send four or five letters across the city at the time. This is all pre-election process, just to be clear. We calculated - we had spent some time with focus groups. One of the things that we recognised early was that while people in the city knew my face, they didn't know my name. So we were then working on what we would need to do to align my name and face across the city so that people could identify me as a candidate that they would know for Mayor. So billboards came into question.

50

CA That gave rise to a question of strategies arising from focus group feedback?

W The focus group feedback was helping us understand what the community had heard of me, what they thought.

CA And therefore how you needed to raise money, what you needed to do?

W Correct, how we needed to articulate our campaign-

10 CA And the cost of it?

W -in various forms. You know, \$35,000 for one mail-out, by four, we are already over \$100,000. Billboards are expensive. Websites are expensive. And then also the biggest - one of the bigger expenses was that we leased an office outside of council because we wanted to - I was very clear that I wanted to maintain a distance between Luke SMITH, the councillor for Division 6, and Luke SMITH, the candidate for Mayor, so that there was never any thought that I was utilising council equipment or council resources for my campaign. We wanted to separate them completely.

20 CA You had done some rough costings, in other words, that led you to a figure such as \$500,000?

W (Witness nods).

CA We see underneath that a list of tasks arising out of the meeting-

30 W Yes.

CA -a couple of which are attributable to you. The second of them is to provide a list of campaign funders that can be contacted as soon as a company is set up?

W Mmm-hmm.

CA That suggests, does it not, that you were intending at that stage to take a proactive approach to seeking out donors and seeking donations?

40 W We were taking a proactive approach to see if people would be interested to support the campaign if I put my hand up, that's correct.

CA According to the task list, you were to identify a list of potential donors?

W Yes.

CA With a view to contacting them for the purpose of soliciting donations; correct?

50 W And people had signalled to me well before this date that if I ever was to run for Mayor, they would help out financially.

CA The second item relates to a campaign launch, which again suggests fairly strongly, doesn't it, that that's in fact the direction you were

heading?

W Yes.

CA Can I ask you about item 4 that is on page 3.

W Yes, okay.

10 CA The discussion apparently descended into detail about identifying potential donors?

W Yes, that's correct.

CA Some are listed; correct?

W That's correct.

20 CA The minutes record you as having advised that you had been networking strongly in the Asian community and had support from successful businessmen. Is that accurate?

W That's accurate.

CA Had you been networking strongly in a general sense or networking towards soliciting donations?

30 W I was the chair of economic development for Logan City Council for eight years. We were well behind in our international connection strategy, particularly in south Asia. There were other councils in South East Queensland that have far greater presence than Logan City Council did and still does. It seemed clear to me - and I'm not the only councillor that was doing this - that given that the community in Sunnybank had quite a lot of Asian people there who had businesses in China or could help us unlock investment for the City of Logan, I spent time with them, at their invitation, to actually build networks. One of the things that I have always done as a councillor is network on behalf of the city. At no time while I was doing that business did I solicit any funds for my campaign up until I announced my candidacy for Mayor.

40 CA Does this not, though, signal under the heading of "Campaign support - financial", et cetera, that you intended to exploit your network within the Asian community for the purpose of seeking donations?

W I don't actually agree with the word "exploit".

CA Well-

50 W I did absolutely know quite a few people in that community, and I also understand that in the Asian community they have a lot of respect for positions, councillors and mayors, and I knew that if I was to put my hand up, there would be people there willing to support me.

CA To come back to my question, this signals an intention, doesn't it, to go to-

W Of course.

CA -your network of Asian people for the purpose of soliciting donations to assist your campaign?

W Absolutely.

CA As at April 2015?

10 W Absolutely, yes.

CA You had worked strongly to establish connections within the Asian community in Logan?

W That's correct, yes.

CA And more widely, or just in Logan?

20 W Sunnybank is not in Logan, I'm sorry. That's in Brisbane.

CA We see on page 4, towards the middle of the page, another suggestion that came up. Do you see in that paragraph that's displayed, commencing "JS advised", there was discussion about suppliers to Logan City Council. The minutes record you as having been hesitant to approach companies, being a reference, I think you would agree, to suppliers to the Logan City Council. What was the source of your reluctance to approach suppliers to the council?

30 W Oh, I just found that as a conflict. I'm not - there's no-one on my - who donated to me that are suppliers to Logan City Council.

CA No, but there was discussion about whether that was one means of attracting money, gaining money?

W At this meeting, yes, there was that discussion.

CA That suppliers to the council might be approached for the purpose of getting donations for your campaign?

40 W That is reflected in the minutes, yes.

CA The minutes record your being hesitant about that, and in response to that, Mr SOORLEY, it seems, according to the minutes, suggested that the approach would be through third parties, and not from you, and that that would be a satisfactory response to your hesitance. Was that the discussion?

50 W I don't recall the conversation, but I can say very clearly that there are no suppliers who donated to my campaign.

CA I understand that. I am just questioning you about your approach to fundraising as at this time.

W Okay.

CA That was a live proposal, wasn't it, that you or someone on your behalf,

perhaps Mr SOORLEY, might approach suppliers for Logan City Council?

W I believe that's what you're seeing in the minutes.

CA Yes.

W I don't recall the conversation off the top of my head.

10 CA Okay. You don't recall some discussion of that kind which is set out in fairly specific detail in the minutes - you don't recall that occurring?

W No, I don't believe it did occur, no.

CA You don't believe it did occur?

W No.

20 CA You think the minutes-

W Sorry, sorry. I believe the discussion occurred. I apologise. I don't believe the actual action happened.

CA Two different things; I accept that.

W Yes.

30 CA I accept that the donors, according to the subsequent disclosure return, didn't include suppliers to council. I'm asking you about a different question, which is your approach to fundraising as reflected in these minutes. Do you understand?

W Yes.

CA It's clear, isn't it, that the subject of discussion was that suppliers to the council would be approached or could be approached by third parties, such as Mr SOORLEY, to attract donations from that source?

40 W I accept that's what the minutes reflect.

CA Indeed, the discussion led to a task being allocated to you, am I right, as we see in the box below, that you were to compile a list of donors and a list of suppliers to the city council for just such a purpose?

W Yes, that's what the action statement says.

50 CA Would you accept that approaching a supplier of goods or services to the council for a donation to a mayoral candidate's campaign fund might carry with it the implication that if donations were not forthcoming, that supplier might cease to be a supplier?

W Can you ask that in another way, please?

CA All right. In approaching a supplier of goods or services to the council for a donation, would such an approach not carry with it the implication that if the supplier didn't donate, the supplier might in future not be

a supplier to the council? Do you follow me?

W I think my integrity inside my operation as Mayor and councillor is not in question here, and I don't accept that, no.

CA So you rely on your integrity?

W Yes, I do.

10 CA As potentially dissuading anyone from thinking that way?

W I don't believe there's any reason anyone would ever think that of me.

CA You put your personal integrity above that, do you?

W Yes, I do.

PO Mr SMITH, why then did you say you were hesitant for them to be approached at all, that it was a conflict?

20

W Thank you, Commissioner, for the question. I actually don't - that's just not people who I thought we should be asking money from. And, again, what these minutes are are simply just thoughts all put in together to see what we'd need to do to actually run a decent campaign and how we would run funds. Most of what is here never actually happened, and these are just minutes on ideas on how we can move forward to run a healthy campaign and also raise funds. I've never thought it was appropriate to seek funds from people who have contracts with council.

30

PO But why, is the question, why don't you think it's appropriate?

W I just didn't want to cross the line. I didn't want to blur a line. I just didn't think it looked good. I don't think that's something that I would like to have anything to do with, to be honest.

PO But why wouldn't it look good? What's wrong with it?

40

W Oh, well, it could - there was actually nothing wrong with it. It's just that I didn't like the way that it would appear.

PO How would it appear?

W Well, the appearance of it would probably look like I was helping somebody get a contract that they may not have otherwise got, or kept it that way, I'm sure. That certainly didn't happen, and, as you can see, there were no donors who were contractors to council to my campaign.

PO Thank you.

50

CA Did you agree, though - notwithstanding the hesitance that you have described, did you agree, as the minutes record, to compile a list of suppliers for the purpose of being approached?

W I never actually followed through with that action.

- CA Did you agree to compile such a list, as the minute records?
- W At the meeting, I guess I did. I can't remember, but that's actually what the minutes say.
- CA To be clear, you say you didn't follow through with that?
- W That's correct.
- 10 CA Did you compile any list of that kind?
- W Of people who were-
- CA As the minutes record, a list of suppliers to Logan City Council.
- W I can't remember.
- CA You can't remember doing that?
- 20 W No, I can't.
- CA We see in the second entry in that box a related task. Can I suggest that the task attributed to Mr SOORLEY was to contact the donors as referred to in the list above, which is referable to you? In other words, you do the list, and then he'll do the contacting. That's how the minutes record it?
- W That's what the minutes say, that's correct.
- 30 CA They're accurate, aren't they?
- W I believe so.
- CA In terms of the discussion and the allocation of those tasks?
- W I believe so.
- CA Can I show you another set of minutes, Mr SMITH.
- 40 W Sure. Thank you.
- CA Is that a similar set of minutes, dated 20 May 2015, for a meeting described as "Mayoral Campaign Executive Meeting"?
- W Yes, that's correct.
- CA I tender those minutes.
- PO That is Exhibit 107.
- 50 CA We see towards the bottom of page 1 under the heading "Items arising from the last minutes" that Mr CLEARY from Gadens gave advice to the meeting that the company had been established, so that that task which was discussed at the previous meeting had been accomplished; correct?

- W Yes.
- CA Had the directors been selected by then?
- W Well, as you can see on the second-last paragraph, it says, "Rhonda and Grant to sign the company directors forms", so we had asked them at that stage, yes.
- 10 CA I think Don CLEARY's name may have been originally mentioned as being a director, but by the time of this meeting, it had been agreed, by the sound of it, that Mr DEARLOVE would take up that capacity?
- W I'm sorry, I don't remember that.
- CA In any event, Mrs DORE and Mr DEARLOVE did become the directors of the company?
- W Yes.
- 20 CA I am probably covering the same territory, but obviously the fact of this meeting, accompanied by the establishment of a shelf company in the interim, is a clear signal of your intent to proceed to become a candidate for the mayoralty?
- W That's correct, yes.
- CA The tasks arising out of the meeting continued to be reflected from the first meeting, I think. You will see on page 2 a task which you apparently agreed to as per the minutes of 22 April of providing a list of campaign funders continued to be allocated to you?
- 30 W Yes.
- CA And the next entry against your name is "Finalise location for announcement"?
- W Yes.
- CA That is, plainly enough, an announcement of your candidacy; correct?
- 40 W Of course.
- CA And then just below that we see once again the same task of compiling a list of donors and list of suppliers to Logan City Council?
- W Yes.
- CA Was there any further discussion about the compilation of that list for seeking donations from suppliers to the council at the 20 May meeting, do you remember?
- 50 W No, I don't believe there was, and as I've said previously, I didn't follow through with that action.
- CA There are a couple of additional attendees at that meeting. We see reference to them under the heading "Agenda item 1 - introduction of

new members"?

W Yes.

CA Ms Vicky YU and Mr Terry YUE. Is it correct to say that you introduced them to the meeting?

W Yes, I did.

10 CA And did you invite them to the meeting?

W Yes, I did.

CA Both?

W Yes, I did.

20 CA Dealing with Ms Vicky YU, she, I think, is an officeholder in the Australia-China Chamber of CEOs?

W That's correct, yes.

CA Could you, perhaps for the benefit of those who don't know, say what the Australia-China Chamber of CEOs is?

30 W To the best of my understanding, the Australia-China Chamber of CEOs is a group of company owners who have formed a group in - actually, the head office is now in Logan. They formed a group in Australia to help look for investment attraction options from China to Australia.

CA She, I think, is secretary or secretary-general of that organisation?

W I actually believe at the time she was vice-president.

CA Connected to it in an official capacity and an officeholder?

W That's correct.

40 CA The minutes record her having been introduced to the meeting by you, and her purpose in being there is to oversee fundraising events?

W That's correct.

CA She would join the campaign?

W That's correct.

50 CA Is that correct, that by the time of this meeting, she had been approached with a view to assisting your campaign by overseeing fundraising events?

W Vicky is also a personal friend of mine. I have known her for quite some time. So it's not just because she was in that company.

CA I see.

W Vicky and I and my family are very close. She offered to help with events, so at golf days, to just help organise the finer details of things. She wasn't always available to do that during the campaign, but when she was there, she helped us out tremendously.

CA Did you approach her to assist you in this capacity?

W Actually, she offered.

10 CA She must have offered in the context of being aware that you were-

W Running for Mayor.

CA -intending to be a candidate?

W Yes.

CA That must have come from you?

20 W Yes, it did.

CA Did you have a conversation with her about your intention?

W Yes.

CA And she offered assistance?

W That's correct. As I said, she's a friend of mine, and so we consulted largely with people who were close to us as to me running for Mayor, my intent to do that, and getting advice from people. Vicky was one of those people, and she offered to help as soon as I announced.

30 CA You mentioned earlier when we were speaking that there were various kinds of fundraisers ultimately conducted?

W That's correct, yes.

CA Breakfasts and dinners, I think, and golf days?

40 W Dinner, golf day, yes.

CA Did she in fact have a role in overseeing or participating in those fundraising events?

W More so helping. I wouldn't say overseeing. She ended up having to spent some time in her own company, and so - but when she was available, she made herself available to help with events, just in organising, as I said, finer details. Not for all events.

50 CA Would it be fair to say that through the Australia-China Chamber of CEOs, she had her own network of Asian contacts?

W Of course, yes.

CA Who might be used to advantage for the purpose of the campaign?

When I say "used", I don't mean in a pejorative sense, but people who might be approached to assist your campaign?

W Yes, she has a large network in the Chinese community.

CA As the previous minutes described, you had been networking yourself amongst the Asian community?

W Yes.

10

CA Did she bring an additional network to bear?

W She introduced me, originally sometime before this, to Sally CHUNG from the Holiday Golden International, I believe - I can't remember the name off the top of my head of her company - who ultimately did contribute to my campaign.

CA The next attendee who was introduced is Mr Terry YUE. This is at May 2015. What was your relationship with him as at May 2015?

20

W I had known Terry for quite some time. He and his father had a development that they were looking at doing in Carbrook. Prior to this, they had received approval from council for-

CA You were on the council at the time?

W That's correct. I was the chair of economic development, and it was part of-

30

CA At that time, sorry?

W I beg your pardon?

CA At the time of their application?

W Yes, that's correct.

CA Okay.

40

W And before that, too. So if I could just go back a little bit?

CA Yes.

W The former Mayor and Deputy Mayor and myself as the chair of economic development, we saw the Carbrook development as a priority development for the city. We were very focused on - we had a series of what we call shovel-ready projects, so a list of 10 projects that people were doing across the City of Logan and trying to accomplish, all who had received approval from council. So as council would travel, whether it be internationally or nationally, we would utilise those 10 projects for opportunities for investors to invest in our city, no different to what any other council does. This was one of those. Terry and I got to know each other quite well, and his father asked me, actually, to consider running for Mayor when he heard about Mayor PARKER resigning, because he thought that I would be a good leader for the city.

50

- CA Just concerning that development, it's known as The Lakes, I think, isn't it?
- W That's correct.
- CA Alternatively known as the Carbrook development?
- W Yes, either one.
- 10 CA It's not any ordinary development, is it?
- W It's a mini Sanctuary Cove style development. At the time of the original approval, I think it was signed off by the local councillor, delegated staff back to - delegated authority back to staff to approve it. I think it was roughly - I can't remember off the top of my head, but it was probably 400 or 500 lots that had been approved prior to this date.
- CA Was there any bigger at the time?
- 20 W Bigger than that?
- CA Bigger developments than that?
- W Oh, absolutely. We have Yarrabilba in our city. We have Flagstone, which is going to have 120,000 people in it. We've opened up Park Ridge for 50,000 lots. We have Frasers, which has 3,000 lots at the moment. The Vale, which has 2,500-
- 30 CA This was nonetheless a big development?
- W It was the first Sanctuary Cove style development on our river. It was important to us because it was actually in a tourist precinct.
- CA The original application, I think, was made sometime in 2013?
- W Look, I can't remember the date, but, yes, prior to this event.
- CA Yes. Let's say it's 2013. The exact date doesn't matter too much. We can go to it, if we need to. There was an approval given by council?
- 40 W The approval was actually given by delegated authority. The approach we have - would you like me to explain?
- CA Yes.
- W The approach we have at Logan City Council is that a development that comes in through the normal development assessment process is streamlined through our staff. If there are appeals, that people in the community have some concerns about the development, then our development assessment staff take that to the local council and the chair of development. At this stage, this development did not go through council. It actually went to the local councillor, Councillor POWER, who at the time signed it back to delegate to the staff for authority to approve.
- 50

CA So there wasn't a need, then, for the first proposal-

W To go to council.

CA -to go to a committee vote?

W That's correct.

10 CA Or to a council vote?

W That's correct.

CA Nonetheless, from what you said earlier, is it correct that you were in your capacity as - what committee, was it, remind me?

W I was the chair of governance, finance and economic development.

20 CA In that capacity, the Deputy Mayor and Mayor, all three of you, were supportive of this development?

W The whole council was supportive of the development.

CA Locally so, in your case?

W Sorry?

CA Locally so? In other words, was your support generally known in the community?

30 W Well, it was known because the Mayor would actually talk about it, and we all supported the Mayor's view in that space, yes.

CA So how, then, did Mr Terry YUE come to attend your meeting on 20 May?

W I asked him to come along. His father had committed financially to the campaign. He sent Terry because he wanted to make sure that we were running a professional campaign. This is the only meeting that Terry attended.

40 CA Had he committed money by this stage, 20 May?

W He hadn't given any money by this stage.

CA But he'd flagged he was-

W Flagged he was interested in supporting, that's correct.

50 CA So it's in that context, that he was going to donate money, that Terry was sent to see that the campaign was-

W Professionally run.

CA -professionally run?

W That's correct.

CA Did you have any indication from Terry's father at that time as to what kind of money he might donate to you? In other words, was a figure mentioned?

W No.

10 CA Did you infer from the fact that he sent his son to see if this was a professionally run campaign that the amount would be considerable?

W Yes. There was no actual dollar amount offered, so-

CA He wouldn't have come to check on the professional campaign-

W But we knew there would be an amount, that's correct.

CA You thought, am I right, that he was potentially a significant donor to you?

20 W Oh, absolutely.

CA And it was in that context that Terry was attending, to see that the campaign was professionally run?

W Absolutely, and it's also very much the Asian culture to ensure that something they're investing into is being run professionally, so I wasn't surprised by the request and very happy for Terry to attend at that meeting.

30 CA Over on page 5, under the heading - the heading is actually on page 4, "Events and fundraising", we see that it is recorded that the minutes record that you advised there are a number of venues potentially available for fundraising events?

W Yes.

CA One being "Terry's family boat"?

40 W Yes.

CA That is a reference to Terry YUE, isn't it?

W That's correct, yes.

CA By the time of this meeting, had there been some discussion about the availability of Terry YUE's family boat for fundraising for you?

W Yes.

50 CA To be used for high-class events, apparently?

W Well, yes, that's what the minutes say.

CA These minutes, at the conclusion on page 6, record the date of the next meeting as being 10 June. Was there such a meeting?

W Mr RICE, I can't remember, to be honest.

CA Did this committee retain its purpose and meet to discuss the details of your mayoral campaign?

W No.

CA It didn't continue?

10 W No. This was simply an advisory group that we had established to get advice on how to start a process of running a mayoral campaign. This is not the group that actually helped us through the whole campaign process.

CA Okay. But I asked you about this scheduling of another meeting on 10 June.

W Yes.

20 CA And asked you whether such a meeting took place?

W I can't remember.

CA Can't remember?

W No.

CA In any event, this make-up of committee didn't continue as your campaign committee; is that what you are saying?

30 W That's exactly what I'm saying, yes.

CA What was the constituency, then, of your campaign committee once your candidacy was announced in, I think, July 2015?

W I actually didn't have a campaign committee. When we announced the campaign, my wife and I essentially ran the campaign. We brought in people for advice at different periods of time. I had already mentioned that Nathan was doing an internship, so he spent some time with us in the early stages. I sought advice regularly from Jim SOORLEY, who, as I said, has been a mentor of mine for some time and has run a campaign like this. And, of course, the two campaign - the two directors of Logan Futures were utilised for advice along the process. But there was no committee as such for the campaign.

40 CA Just dealing, then, with Logan Futures - I notice the time, Commissioner. It is nearly 11.30. I am just about to go to a different topic if you're inclined to take a break.

50 PO Certainly. We will adjourn until about a quarter to 12.

HRO This hearing is adjourned. Thank you.

SHORT ADJOURNMENT

HRO This hearing is now resumed.

PO Mr RICE.

CA Councillor, it's clear, isn't it, that Logan Futures Pty Ltd was established for a sole purpose being to receive campaign money and spend campaign money?

10 W Yes.

CA For your mayoral campaign?

W Yes.

CA It had no other purpose?

W No other purpose.

20 CA As your campaign progressed, there were a number of donations forthcoming; correct?

W Yes.

CA Can I just ask you about the accounting for that. You told us earlier that Mrs DORE was selected substantially, at least, based on her record and that she could be relied on to keep good records?

W Yes.

30 CA That was a priority for you?

W Yes.

CA What about the income side of it? When I say "income", I mean money forthcoming to your fund from donations particularly. Did she have any role in soliciting donations - Mrs DORE, that is?

W No, she did not.

40 CA Did she have any role in dealing with the donors directly?

W I don't believe so, no.

CA She did have a role, correct me if I'm wrong, in the paying of campaign expenses?

W Yes.

50 CA Can you explain what process you put in place as between you and her on the payment side of things?

W So, Mr RICE, as in payment of, say, for purchasing billboard advertisements?

CA Lots of things.

W All of that?

CA Yes.

W Okay. I had a credit card that was a Logan Futures credit card, so for day-to-day operation that was all accounted for in the credit card statements. There were times when, if, for example, we engaged a company to establish our website, they would submit an invoice, I'd submit that to Rhonda and then she would pay the invoice.

10 CA So was it a combination of credit card payments-

W Yes.

CA -and invoices direct from suppliers of goods or services?

W That's correct.

20 CA So far as the credit card statements are concerned, did they go to her directly or did you need to furnish them?

W The statements?

CA The statements.

W I never saw any of the statements. They went straight to Rhonda, yes.

CA What about the invoices, did you receive invoices - I'll go back. Insofar as there were invoices to be paid-

30 W Yes.

CA -was there some process by which she would receive them for payment?

W Two processes. One, if I was to engage the work from a particular supplier, then they would give me the invoice made out to Logan Futures. There were others, for example, our office lease, that would just go straight to Logan Futures where it had nothing to do with me.

40 CA On, I will call it, the income side of things, there were donations forthcoming, weren't there?

W Yes.

CA They came in a variety of forms, didn't they?

W Yes.

50 CA There were some cheques?

W Yes.

CA Some bank transfer?

W Yes.

CA And some cash?

W That's correct. Also EFTPOS.

CA Now, there was a bank statement?

W Yes.

10 CA But as I think you now know, the bank statements didn't record the identity of the creditor to that account, not in general, at least?

W Do you mean the people who actually - yes, that's correct.

CA What records were being kept as to who the donors were and in what amounts?

W In regards to bank transfer, that was very clear.

20 CA It is on the bank statement?

W It's on the bank statement, that would go through. With regards to cheques, all cheques were made out to Logan Futures and then were deposited. And in regards to cash, they were banked. Some came to me directly. Most of them were at functions like our golf days and the like, where I had nothing to do with the funds themselves.

CA Were you involved in receiving cash on occasions?

30 W Yes.

CA Did you issue some kind of receipt for cash?

W No.

CA You were involved in receiving cheques on occasion?

W Yes.

40 CA Was there some receipt issued in relation to such amounts?

W The cheques were banked into an ATM which was across the street from our office, and that's where the receipting of the amount was.

CA Did you do the banking of money that you received yourself?

W Yes.

CA Both cash and cheques?

50 W Yes.

CA Did you keep any records of amounts that you received?

W No, I did not.

CA As it turns out, the bank statement, so far as cheques were concerned, did not record the identity of the donor; correct?

W That's correct.

CA And you had no other independent record of the date, amount and the identity of the donor, did you?

W That's correct. No, I did not.

10 CA Mrs DORE wasn't responsible, was she, for recording of all of the details on the income side because she wasn't privy to it?

W That's correct.

CA She didn't know, for example, that you had received cash on occasions and how much?

W No, she did not.

20 CA She might see a credit entry in the bank statement; correct?

W Yes.

CA She did have access to the bank statements, to your knowledge?

W Yes, yes.

30 CA And could see, for example, "ATM deposit at Beenleigh" for a certain amount on a certain date?

W That's correct.

CA But was she furnished with any other record as to who the donor might have been on that particular occasion?

W No.

40 CA And you didn't keep any independent record of the identity of donors or the dates or amounts of particular donations?

W No, I did not.

CA Why not?

W I mistakenly believed that the cheques would be clear when we put it into the ATM. It's been a long time since I've banked cheques, to be very honest with you, so I believe that would have been on the statement. It wasn't until the end that I realised that wasn't the case.

50 CA So you thought the identity of the drawer of the cheque would have been-

W Would have been in the statement.

CA -in the bank statement?

W That's correct.

CA But it wasn't?

W It was not, yes.

CA So that was perhaps a misconception on your part?

10 W Absolutely.

CA That doesn't apply to cash, though, does it? There was no record being kept by you as to amounts and donors of cash?

W No, because as soon as we received cash, we put it in the ATM.

CA Was the cash deposited-

20 W Sorry, can I just go back. There were a couple of times where we received cash at night, and a friend of mine who had a business across the street, I asked him to put it in his safe for the night up until we could bank it the next day.

CA To your knowledge, Mrs DORE was meticulous in her recording of expenditure-

W Yes.

CA -because she had the information to be able to record it; correct?

30 W That's - yes.

CA But she had some difficulty, did she not, in accounting for what I have called the income side of things, that is to say, who the donors were and in what amounts and on what dates?

W That's right.

CA She had a problem with that?

40 W Yes, that's right.

CA Because she wasn't provided with any record that could give her those answers?

W That's correct.

CA And it wasn't apparent from the bank statement; correct?

50 W That's correct.

CA As you found out?

W Yes, as I found out.

CA That led to a problem, didn't it, in terms of Logan Futures Pty Ltd

completing its third party disclosure return?

- 10 W It led to us - my wife, Rhonda, and myself sitting down and going through the bank statements at the end, after the campaign, to try to go through memory as to who gave what at different times. We recognised that there was human error, which is why the third party return was marked "Incomplete" to the Electoral Commission, because we recognised that we may have overlooked some things and that if - as things came to light, under Electoral Commission law we have four years to amend that so that we could ensure that if there were things we overlooked or there were mistakes that were made, we could still comply with the law.
- CA Just so far as the accuracy of the entries listing donors on Logan Futures' third party disclosure return, is it correct to say that the accuracy of the list is largely dependent on your recollection because no records were kept?
- 20 W On those amounts. So on the cheques I received, cash I received, correct.
- CA Okay. I might come back to that a little later.
- W Of course.
- CA Can I ask you about some particular donors. You mentioned that Terry YUE attended your meeting on 20 May to see that your campaign was going to be professionally run?
- 30 W Yes.
- CA And in the expectation that his father was going to be perhaps a significant donor?
- W Yes.
- CA Did that prove to be the case?
- W Yes.
- 40 CA The YUE family was a significant donor?
- W Them and their company behind, yes.
- CA They have associated companies, don't they?
- W That's correct.
- 50 CA You knew Mr YUE, his father and their associated company or companies to be the developer of Carbrook, The Lakes complex?
- W Yes. They haven't developed anything yet. They certainly had approval.
- CA They had approval in principle, wasn't it?

W Correct.

CA Would it be right to say that the approval being in principle only, there was every likelihood of being a subsequent application for variation of some kind?

W For the development?

10 CA Yes, given its scale?

W I was not aware of any subsequent, at the time, up until they did lodge an application after - I think just prior or after the election.

CA They did lodge a second application-

W Yes.

CA -on the 15th of June 2016?

20 W Mmm-hmm.

CA Just under three months after the election; correct?

W Yes. Sorry, I'm not sure of the date, but I'm sure you've got it there.

CA Did you not become aware of it at the time it was forthcoming? I mean, it's a fairly big deal, isn't it?

30 W They certainly let me know that they were lodging. They let me know because I was very clear to all donors that as soon as they helped me, I could not do anything to help them in council, and I drew a line very clearly on any conflicts of interest I had with donors, particularly Mr YUE, who was only interested in me leading the city and not helping him in his work.

CA From what you've said, then, in the event that Mr YUE was forthcoming with a donation, as you expected, that would, according to the style of operation you've just described, disqualify you from deliberating and voting on applications that concerned him or his companies?

40 W As soon as I received funds, yes.

CA Did you receive funds from him in the expectation that there was every likelihood of further development applications for The Lakes?

W No.

50 CA What was your contact with Terry YUE over the course of the campaign, say from July onwards? We've established that he attended your meeting on 20 May.

W Yes.

CA You announced your candidacy in July?

W Yes.

CA What contact did you have with him over ensuing months?

W Oh, just friendly contact, as I said.

CA Were you friends?

10 W We had gotten to know each other. Occasionally Terry would let me know what he was up to. He's young. He seeks advice for things, and so there were things he wanted to do for his own life that he was looking at doing and asked advice on that.

CA Well, the subject of discussion extended beyond your campaign, by the sound of it?

W Yes.

20 CA Did you socialise?

W We had dinner a couple of times, yes.

CA What about his father, did you socialise with him?

W Correct.

CA He doesn't speak very good English, does he?

30 W No, he can't speak English, so rarely did I have anything to do with him. He was well aware of any concerns I had for conflicts of interest. He maintained a distance on purpose, as other people in council he associates with that's not - not me.

CA Prior to the election did Mr YUE give you any indication that there was going to be a substantial new application for change of material use for The Lakes?

W Prior to the election?

40 CA Mmm.

W They mentioned that they were looking at doing something larger. My advice to them at the time was just to stick with what they've got, because I thought that would be actually more beneficial for them.

CA How did that crop up, that discussion?

W They just said they were thinking of expanding their development into the land next-door.

50 CA Who was "they", councillor?

W The - they have an associate called Brian GASSMAN who is - I forget the title he used but I think "surveyor" - their surveyor, and he-

CA He prepares some of their documentation for them?

- W I beg your pardon?
- CA He prepares some of their documentation for them?
- W Prepares all of it, actually.
- CA For submission to council?
- 10 W Yes. He actually is the one who submitted the application for the expansion on the development.
- CA So take me back, with whom did you have a discussion? Was it with Mr YUE or Mr GASSMAN?
- W Both.
- CA Both. About-
- 20 W When I say Mr YUE, I mean Terry.
- CA Terry, yes.
- W Not Joseph, yes.
- CA Yes. It was prior to the election?
- W Yes.
- 30 CA So it was being flagged with you both from Mr YUE being the developer and from Mr GASSMAN, the developer's representative, to council that a new proposal was in the offing?
- W Yes.
- CA Did you have discussion about that on one occasion or more than one?
- W I can't recall that - in answer to that question.
- 40 CA The application that came in on 15 June 2016 increased the scope of the development, or it sought to increase the scope of the development substantially, didn't it? There was approval-in-principle, I think, for 418 accommodation units?
- W That's correct.
- CA Whereas the new proposal was in respect of now 1528 units?
- W That's my understanding.
- 50 CA And in addition a second parcel of land to be rezoned?
- W I don't know about that, but I don't think that's correct, but I'm not sure.
- CA Well, whatever the precise details, it was a very substantial increase in density, was it not?

- W I was certainly aware of the expansion. I wasn't aware of what you just said about a rezoning of land. That's new to me. But I was aware that they were putting in a proposal for an expansion, yes.
- CA Well, you knew that before the election, so did it come as any surprise to you that it turned up in June of-
- 10 W No, not at all.
- CA Did you become aware of it when it was lodged?
- W I was - as soon as I was made aware of their intention, I reported it to the then CEO. I also reported it to the Director of Strategies Sustainability, Todd ROHL at the time and I also reported it to the development assessment manager David HANSEN at the time. I did that because I asked them to keep me well away from the development because they were donors. As soon as I received one cent from the YUEs, I made it very clear that there was a conflict of interest and I believe you have an LGAQ report of an investigation into this very thing that showed I had nothing to do with this development in any way shape or form.
- 20 CA What, you didn't vote on it?
- W Nor did I have corridor conversations nor did I have any-
- CA No corridor conversations?
- 30 W No corridor conversations, did not-
- CA Did you publicise your support-
- W Not at all.
- CA -for the application?
- W I was asked by an ABC journalist if I thought it was good for the city and I said "yes."
- 40 CA Well, that's publicising your support for that new application, am I right?
- W That was well after the council decision.
- CA After?
- W Yes.
- 50 CA Did you express any view to anyone about the desirability of that new application after June 2016 and prior to the council vote the following year?
- W I expressed no view to the councillors who were voting. I expressed - I only had conversations with the three people that I mentioned earlier who were in positions of authority to ensure

I would have nothing to do with the development. I asked them specifically to make sure that I wasn't involved in any conversations or any updates during the process because I knew it was a conflict of interest.

CA Well, do I understand you correctly to say that you sought to avoid conversation with councillors about this application?

W Absolutely. Actively so.

10

CA Right. And to be clear, you didn't express any view to any councillor, prior to the council vote in, I think, February 2017, about your view of the desirability of this development application?

W That's correct.

CA You took that course, I take it, in recognition of the obligation that you got to manage conflicts of interest - fair to say?

20

W Absolutely.

CA And the report that you sought in 2017 dealt with that subject, how you managed the conflict of interest, did it not?

W That's correct.

CA And it said-

W Are you talking about the LGAQ report?

30

CA Yes.

W Thank you.

CA It exonerated you, did it not, from the way in which you managed the particular conflict of interest that arose?

W That's correct.

40

CA It doesn't deal with another subject, though, does it, being managing the creation of conflict situations? By that I mean, by taking money from Mr YUE and his development companies, you effectively disqualify yourself from subsequent voting in matters that concern them. That's the way you approached it, isn't it?

W Yes.

50

CA Do you see some dilemma between that situation and your obligation potentially as Mayor to deliberate, advocate and vote on applications of importance to the council and to the wide constituency?

W No, I don't see any concern with that whatsoever.

CA No dilemma?

W No, not at all. I trust our council team to make the right decisions.

And, Mr RICE, the advice - according to the *Local Government Act*, the advice that comes up from our development assessment staff is the advice that is recommended. Unless councillors have planning reasons to disagree with the staff, the staff recommendations have to stand. So I trust our staff and I trust our council team. If our staff had said they didn't recommend it, then they wouldn't have recommended it.

10 CA As it turns out, of course, this particular development, given the escalation in density was not supported by Councillor POWER and, hence, it came to a council vote?

W I believe that's the case, yes.

CA You know that to be so, don't you?

W I believe that's the case, yes.

20 CA Can I put this to you: did the fact that you were potentially disqualifying yourself from voting in relation to matters pertaining to the YUEs, and their family companies, cause you to hesitate as to whether it was a good thing for you to accept large donations from them?

W Well, I think one is before the other. I received donations well before they put any application in to council, so I can't really understand your question.

CA But from the time that you received a donation from them-

30 W Yes.

CA -henceforth you're effectively denying yourself participation in deliberation and voting on any application that concerned them?

W That's correct.

CA That's the effect of it, isn't it, of taking a donation?

40 W That's correct. And that is true whether someone gave me \$500 or \$6,000.

CA In this case it was more towards the upper figure, wasn't it?

W Correct.

CA It was a substantial amount?

W Yes.

50 CA Some tens of thousands?

W Yes.

CA I'm just asking you whether you see any dilemma between your duties as a Mayor to participate in deliberation over important development applications, on the one hand, and your taking of donations from

a developer which disqualifies you, on the other? Do you see any tension between those situations?

W Not at all.

CA You'd do the same thing again?

W Yes, I would.

10 CA After the election, one of the requirements of the legislation is that you submit a disclosure return for gifts received?

W That's correct.

CA And you did so?

W Yes, I did.

20 CA Would you accept that completion of a disclosure return on 4 July 2016 is not out to tell the electors anything about donations that you received prior to the election in March of 2016?

W On my return?

CA Yes.

W I'll accept that, yes.

30 CA Is it the case that you were receiving donations, including from the YUEs and other developers, and that the constituency would not have been aware of that, according to the way in which the disclosure rules operated, for that election?

W They would not have been aware until after the election, that's correct.

CA I'll just get you to confirm your disclosure return, please. Is that a copy of your personal disclosure return?

W Yes, it is.

40 CA I tender that.

PO Exhibit 108.

CA And it has only the one entry, doesn't it, reflecting the total sum of about \$377,000 that you received from Logan Futures Trust?

W Which they paid for in the campaign, which includes in kind as well.

50 CA Yes. You said before that you apparently were aware that the Logan Futures return was incomplete in some respect; correct?

W What I actually said is that we - the Logan Futures directors decided to submit an incomplete return.

CA I see. Have you seen that company return?

W I've seen what's on the Electoral Commission website.

CA Oh, have you. Okay. I'll just show you this and see if it accords with what you saw on the website.

W Sure. Thank you.

CA Does that appear to be a copy of the Logan Futures Pty Ltd-

10 W Yes. Yes, it does.

CA -third party disclosure return?

W Yes, it does.

CA I'll tender that return.

PO Exhibit 109.

20 CA And just to take up with something I asked you about a little earlier, it has a schedule to it.

W Yes.

CA It's after page 4. It is being displayed now. If you could just have a look at the document also.

W Yes. Okay, yes, I have that.

30 CA I appreciate that this has been signed off by a director of the company, but I was asking you earlier about the records that were or weren't kept in relation to receipts from individual donors and the amounts. Now that that schedule is in front of you, I'll ask you, once again, is it correct to say that the attribution of donations to particular donors is really no better than the state of your recall as to who the donors were because there were no records kept?

W In some parts, correct.

40 CA Some parts?

W Yes.

CA You had an email communication with Mrs DORE to try to facilitate the completion of a third party disclosure return for Logan Futures, didn't you?

W Yes, I did.

50 CA Can I show you this email?

W Yes. Thank you.

CA Do you see about a quarter of the way down there is an email header from Luke SMITH addressed to Lawrie and Rhonda DORE and

an email underneath that?

W Yes.

CA That is an email that you sent to Mr and Mrs DORE; correct?

W Yes.

CA Dated 21 May 2016?

10

W Yes, it is.

CA I tender that email.

PO Exhibit 110.

CA Now, May 2016 is obviously a couple of months after the election.

W Mmm.

20

CA And is it correct to say that the task at hand was now to complete the third party disclosure return for Logan Futures?

W Correct. I was helping them in that process, that's right.

CA Because you hadn't furnished Mrs DORE with records of amounts that you had received?

W That's correct.

30

CA Because you didn't keep any?

W That's correct.

CA Is it fair to say this is an attempt to try to piece together the situation?

W Yes.

CA So that the return could be properly completed?

40

W Correct. As I state in the first line: trying to finalise this for them. Yes. This was my first glance at the process.

CA There are a number of donors shown through the balance of the email, and your advice to her about dates and amounts of donations?

W Mmm-hmm.

CA Correct?

50

W Yes. The dates actually are reflective of when the amount went into the bank as opposed to when the amount was donated, can I just be clear on that, and that was my first glance at what I believed or recalled to be the case at the time.

CA What did you use as a source to prepare this email?

W My memory. I went through - sorry, I actually had a copy of the bank statements, is that what you're saying-

CA I'm just asking whether that was so, yes.

W -and went through the process and went through our memory process that led-

10 CA Was that the primary source, the bank statement?

W The bank statement.

CA There really wasn't any other, was there?

W No, there wasn't any other.

CA So you looked at the bank statements-

20 W And associate-

CA -and refresh your memory to try and attribute them as you've done in this email?

W That's correct. Chin Hong Investments actually asked for receipts, so they had those receipts and we were able to then compare those. Others asked for invoices and so they had those invoices which we were able to compare. I think SKL Cables had invoices so they knew where to put the bank transfer to, so we utilised that as well. The other was simply by memory. This led to my wife, Rhonda DORE and I sitting in her office going through bank statements and trying to recall who gave what at what time. But only for those cheques and cash that were given to me. The rest of the bank transfers were very clear and upfront.

30 CA Without going into the details of the account, there weren't many, perhaps no more than one, on the bank statement that identified the transferor, can I suggest?

W Oh, I don't have a copy of that.

40 CA So that's not going to be of much help to you in terms of identifying the source of an electronic transfer?

W For? I beg your pardon?

CA The bank statement is not going to be much help to you in terms of identifying the source of an electronic transfer, with one or two exceptions?

50 W Sorry, I can't - I don't have that in front of me.

CA You commenced the email by referring to Australian SN International Investment Group P/L. You knew that to be, didn't you, one of Mr YUE's - one of the YUE family companies?

W Yes, I did.

CA And in fact the developer for The Lakes?

W The owner of the company, yes, that's correct.

CA And you have recorded that company, or you set out the name of that company, and proceeded to say: "For the purses of this return they will be recorded as Chin Hong Investments Corporation." The two entities are entirely separate, aren't they?

10 W Yes, they are.

CA Owned by separate people?

W That's correct.

CA Chin Hong Investments has nothing to do with any of the YUEs or any of their family companies?

20 W Nothing at all.

CA Is that not, on the face of it, an instruction to Mrs DORE that donations to Australia SN International Investment Group should be recorded for the purpose of the return as pertaining to a different corporation?

W It was my attempt to try and clarify the records that I had seen. I went through the bank statements and was working through who gave what at what time. At this stage of sending the email, I believed that these donations came from Chin Hong. After this email and as I've said previously, in Rhonda's office, my wife and I sat with them and we worked out and recalculated it in a different manner. So I was trying to clarify this. The email - obviously I got that wrong in this email.

30 CA Well, what were you trying to clarify by, in effect, instructing her that for the purpose of the return, Australia SN International Investment Group was to be recorded as a different entity? How does that clarify anything?

40 W I was just trying to clarify that the amounts below were from Chin Hong because that's what I believed at the time. Afterwards, as I have said, we spent time going through it and we came up with what I believed was to be more accurate at the time. But as I've stated here, this is just an attempt to try and clarify the returns.

PO Mr SMITH, you said, I think, that you believed at this time, that is May 2016, those amounts listed there had come from Chin Hong?

W That's correct, Commissioner.

50 PO If you believed that, why would you need to refer at all to Australia SN International Investment Group?

W I believed there was an email I received stating that - this is just by memory - that these amounts were for SN - Australia SN, and so I was trying to clarify the difference between the two.

PO Where is that email?

W I have no idea. And this was quite some time ago, so I don't know where that email is.

PO Who was that email from?

W I don't know, Commissioner.

10 CA Wouldn't you have better clarified the position, so far as donations are concerned, by referring to Australia SN International Investment Group and then listing their donations and then proceeding from there to refer to Chin Hong Investments and then list its donations, isn't that a logical way to do it?

W Mr RICE, that sounds very logical and I probably would do it a lot more differently in the future, I can assure you.

20 CA Well, is that an instruction by you to prepare a false return?

W No.

CA One of your donors - we actually see a reference to it within that email - was a company called SKL Cables; correct?

W Yes.

CA Do you know one or more persons associated with that company?

30 W Yes, I do.

CA Do you know a man called Sam TIONG - T-I-O-N-G?

W Yes, I do.

CA How do you know him?

40 W Sam I've known - was a staff member at Logan City Council sometime ago, he was an engineer. He is Asian; speaks very good English. And has - he is actually an employee of SKL Cables and is the person who - I interact with his owner - sorry, not his owner, but the owner of the company who doesn't speak English that well.

CA What's the nature of business conducted by SKL Cables?

W I believe they sell cabling for houses and high-rise buildings, electrical cables, those kind of things.

50 CA Do they have any development interest in Logan City?

W Yes, they do.

CA Do you know of a particular development with which SKL Cables is associated?

W Yes, I do.

CA Is that the 22 Carol Avenue Springwood development?

W Yes.

CA SKL Cables was looking, towards the end of 2015, at moving into property development, did you know that?

10 W I was aware that they were looking at development in Carol Avenue, yes.

CA That company lodged a development application in relation to 22 Carol Avenue in, I think, around 16 November 2015. Does that sound right to you?

W I have no idea.

20 CA You have no idea?

W I don't know when. I'm sure they lodged, but I don't know-

CA Well, are you aware that that company had lodged a development application for a hotel at that site prior to the election?

W No, I was not.

CA I want to ask you about a couple of statements that have been attributed to you in the media.

30 W Last night?

CA Yesterday afternoon, in fact.

W Right. There we go.

CA Reference has been made in one report to a breakfast gathering about a month prior to the election. Did you have breakfast gatherings as a fundraiser?

40 W No. I think that's referring to Chamber of Commerce meetings.

CA I see.

W Every Chamber of Commerce had the mayoral candidates go and speak. They're all breakfast events. I believe the one month before would have been, off the top of my head, the Logan Chamber of Commerce.

50 CA If I can just ask you about the accuracy of this.

W Mmm.

CA You are reported in a particular report as having spoken to the breakfast gathering about a month before the election about "live development application for a 15-storey building in Carol Avenue". In other words,

that you referred to it?

W Mr RICE, that's what I read in the media too. I don't believe I said that.

CA No? Okay. So that's not correct?

W I don't believe that's true, no.

10 CA You are further attributed as having said in relation to that and some other unspecified development: "These are projects that I've worked with behind the scenes to get to the stage they're in." Is that accurate or not?

W Are you referring to the Carol Avenue one, or others?

CA Well, it's inclusive of the Carol Avenue development?

20 W I was the chair of economic development for eight years for Logan City Council. It's my job to look for investment attraction options in the city. It's still my job to do that, and, as Mayor, it's still my job to look for people who are willing to invest in our city. So I'm more than happy to work with people who are looking to invest in the city of Logan. That's how we create jobs and that's how we boost our local economy.

CA But the statements attributed to you go a bit further than that by displaying that you took a personal interest in a particular development, identified by its address in Carol Avenue and being 15 storeys high?

30 W I believe that's what you're reading in the media. Can I say that the application on Carol Avenue was never for 15 storeys, it was for 10, so I wouldn't have said that.

CA Nonetheless, were you aware that that development, however many storeys it had, was potentially substantially in excess of normal height restrictions?

W Are you asking before the election or after the election?

40 CA Before.

W Before the election I wasn't aware of it until I was, I met Jorce and Samuel for the first time.

CA Well, when did you meet them for the first time?

W I can't remember when.

50 CA But Sam TIONG was a donor to your campaign, wasn't he?

W No.

CA No? Correction, SKL Cables was a donor to your campaign?

W Yes.

- CA In what form were their donations made, do you recall?
- W Yes. There were two bank transfers and they're reflected on - those dates are accurate as per the email you see in front of you.
- CA You acknowledged I think a little earlier that you were aware, prior to the election, that SKL may have had some interest in moving into development. Is that accurate?
- 10 W I - yes.
- CA But you say that you were not aware of the development application for 22 Carol Avenue, Springwood, prior to the election?
- W That's correct. Sorry, prior to meeting them.
- CA Well, come back to the question. When did you meet them?
- W I'm sorry, I can't-
- 20 CA Well, as it before the election or not?
- W Oh, yes, of course I met them before the election because they donated to the campaign.
- CA Does it not follow that you were aware of their development application prior to the election? Didn't they tell you about it?
- W You said a 15-storey. I wasn't aware of a 15-storey before that, no.
- 30 CA Let's forget the number of storeys and call it 22 Carol Avenue, Springwood.
- W Okay. I was aware there was a development application in that process, yes.
- CA Before the election?
- W I believe - look, I honestly don't recall, to be honest. But when I met them, I'm pretty sure they told me there was a process going through council at the time, but I wasn't the councillor for the area, so I don't know.
- 40 CA Is that not the kind of development to which you were particularly attracted as one would infer from the media report?
- W That's the kind of development we're looking for in Springwood, absolutely.
- 50 CA What discussion did you have with Sam TIONG, or anyone else from SKL Cables, about their potentially donating to your campaign fund?
- W They actually contacted me. They were deciding whether to donate to my campaign or the campaign of my competitor. They wanted to meet me; see what I wanted to do for the city; hear my vision for the city. In the end they decided to support me. I also believe that they supported

my opposition, Mr Brett RAGUSE, at one of his functions as well.

CA Did you give them details to facilitate a donation to Logan Futures?

W Yes, I did.

CA Your recollection is that their donations were made by bank transfer?

W Yes.

10

CA Did you know the date of that, for example, that the first \$35,000 was paid on 29 September? You have recorded it in the email.

W Yes. I would have got that date off the bank statement for the email so I'm happy to accept that.

CA So did the amount shown in the bank statement indicate to you who the donor was?

20

W Yes.

CA Well, someone must have mentioned to you then that there was going to be a figure of \$35,000, otherwise you wouldn't have been able to associate it with SKL Cables?

W Yes. They told me they were donating \$35,000.

CA Presumably prior to 29 December?

30

W Yes.

CA There was another fairly significant decision by council on, I think, the 14th of March this year by way of approval of proposals arising from the Springwood Summit; correct?

W Yes.

CA Is it correct to describe it as a fairly significant decision by council-

40

W Yes, it was.

CA -to adopt recommendations from the Springwood Summit?

W Yes, it was.

CA Perhaps you might just tell us what the Springwood Summit was?

50

W Sure. We had a Masterplan in Springwood that has been alive for 20 years. We wanted to see Springwood become a key business district outside of Brisbane. It didn't work. The Masterplan hadn't been realised. There's some processes that we, as council, needed to change and amend to make sure that we could see Springwood actually fulfil its potential that we believed it could. We have six key centres across the city. The City of Logan doesn't have one city centre, we have six across the city, and Springwood is one of those that we are focusing on as a business centre. One of the outcomes - there were quite a few

outcomes of the Springwood Summit. Sorry, you asked about the Summit.

The Summit itself was us getting all the stakeholders, so people who own land in the area. We flew in people from across Australia, experts in planning matters, to help us understand what we could do to unlock the potential of Springwood so that we could start that as our first key business district for the City of Logan.

- 10 CA And the Summit came up with a number of recommendations?
- W Quite a few actually, yes.
- CA Quite a few. And all of them were adopted at the council meeting on 14 March this year?
- W Not all, no. There were - and I have to also add there were a lot of residents who came in and gave their submissions as well. So all parties involved in that Springwood area were invited to submit.
- 20 CA You voted in favour of the adoption of the Springwood Summit recommendations?
- W Yes, I did.
- CA Did you hesitate in doing so - that some of the recommendations would impact on applications by one or more of your donors?
- W No, I didn't hesitate at all.
- 30 CA I beg your pardon?
- W No, I did not hesitate at all.
- CA Well, did you think of it? Did you think at the time of voting in favour of the adoption of these recommendations that there might be a positive impact on one or more development applications of your donors?
- W No. Because there was no development applications that were in council at the time that would actually help anybody who donated to my campaign.
- 40 CA Were you not aware of the SKL development application-
- W Absolutely aware of it.
- CA -as at 14 March?
- W Absolutely aware of it. And understand that by reading the media, Mr RICE, you're getting one side of the story. The CEO of Logan City Council actually put an email out yesterday to ensure all councillors that that particular development of SKL Cables does not comply or would not fit under the new amendment for the Springwood infrastructure reductions.
- 50 CA You mentioned in relation to the June 2016 development application

by the YUEs' family company, you knew that you would have to disqualify yourself from any vote potentially on that. When this appraisal for adoption of the Springwood Summit recommendations came before council, did that not cause you to think, "I better check who of my donors might benefit from my voting in favour of this proposal"?

10 W So, to be very clear, I'm well aware of who my donors are. I was well aware that SKL Cables had a development in Carol Avenue, but I was also aware that what I was voting for did not apply to them.

CA Did you go through the exercise in your own mind of casting back to see who had been donors of yours and who had current applications before council that might be impacted by a vote by you in favour of the Springwood Summit proposals?

W Yes, of course I did.

20 CA You did that?

W Yes, I did.

CA To satisfy yourself that there was no conflict of interest?

W Absolutely.

CA Was that your approach?

30 W Absolutely. And in fact under the new amendment, if SKL Cables wanted to change from 10 storeys to 15 storeys, all benefit from what council has adopted, they would have to go back out as impact assessable, so that means they would have to go back out for a new application; they'd have to go back out to the community for consultation and then it would have to go back to council for vote - of course which I would abstain from.

40 CA At any rate, you confirmed that you turned your mind to the impact of your voting for this proposal and whether there was any conflict of interest on your part?

W Of course I did.

CA Another of your donors was a company called Advance Form. Who from that organisation do you know?

W I know him as Isaac. You have a different list - a different name.

CA Isaac ISSA - I-S-S-A?

50 W Yes.

CA So you know him?

W Yes, I do.

CA How did you make his acquaintance?

W Isaac, I've known for a couple of years. He - I'm very close to the Syrian-Lebanese community in Logan, have been for many years, prior to being on council. The leader of - not the leader, but the person who is recognised as the head of the Lebanese community in Logan, Joe RIZK, his family and I are very close and, again, I've known him well before I was on council. Having been raised in Logan, you tend to know a lot of people in the city.

10 Joe introduced me to Isaac to see if he would be interested and help support my campaign. Isaac and I became good friends very quickly. He's a nice gentleman, good moral standing, and was - we were able to have a good connection.

CA How did he come to be a donor to your campaign, do you know?

W Yes. Actually it was Joe who asked if Isaac could consider helping me.

CA Who was Joe again?

20 W He was the guy who's in charge of the - I keep saying in charge, but seen as the leader of the Syrian community.

CA Okay. But you knew Isaac ISSA already?

W When Joe introduced him to me.

CA I see. Okay. Was that during the campaign?

30 W It was probably - yes, it was. During when - after I signalled the fact I'd become the-

CA Sometime after mid-2015?

W Yes. Earlier than that.

CA In what form were his donations made?

W Cash.

40 CA More than one occasion?

W Yes.

CA On three occasions, does that sound right?

W It was actually four occasions.

CA Four?

50 W Yeah, but three that we banked. So let me be clear. The first meeting we had, he had donated some money. I held that over until his second donation and that is when I banked. So there were three times when I banked it but he actually gave four times. Does that make sense?

CA I see. In terms of accounting for what amounts you had received, you

told us earlier that you didn't keep an independent record?

W That's true.

CA How then did you expect that you would subsequently be able to assist Mrs DORE to properly record his donations?

10 W There were very few cash donations we received. So outside of golf days and raffles that people may have bought, which I had nothing to do with those, there were only - Isaac was the only one who donated completely - large amounts in cash, and we received two of those from the YUE family as well. So they were the only ones - it was easy to identify the cash donations, because there were only two people that donated that way.

CA Well, how were you able to identify them as cash? You told us your source was the bank statement.

20 W Yes, well, it's not going to show cash-

CA It shows an ATM deposit to a particular-

W There is a difference between - it does show a cheque deposit as opposed to a cash deposit on the ATM, so-

CA You recall?

W -we were able to identify those differences.

30 CA What about Chin Hong Investments Corp, who do you know from that organisation?

W Mr WEN, the owner. Mr Chin Wen WEN is his name.

CA His family business owns the Springwood Shopping Centre; am I right?

W Centro, yes, correct.

40 CA His corporation made donations to your campaign?

W That's correct.

CA How did that come about?

W He - they were all via cheque and bank transfer, from memory.

CA But in terms of personal liaison?

50 W Oh, do you mean when I met with him?

CA Did you have some interaction with him that led to him being a donor?

W Oh, yes, of course.

CA What was that?

- W Just dinners. We had a dinner together. We'd catch up regularly. I'd known Mr WEN for quite some time, and mainly through his lawyer, who is a well-connected man throughout South East Queensland.
- CA Was he someone that you asked for a donation from?
- W He offered.
- 10 CA As we go through some of these donors, did you ask for donations?
- W Yes.
- CA In some cases?
- W For some, yes.
- CA And in other cases, people offered?
- 20 W Yes. A large majority of people offered money, yes, that's correct.
- CA What about - do you know a lady called Sally CHUNG?
- W Yes, I do.
- CA She is a real estate agent at Mermaid Beach?
- W No. She owns a tourism company.
- 30 CA Correction. A travel agency, I mean.
- W A travel agency, yes.
- CA She owns a travel agency at Mermaid Beach?
- W Yes.
- CA She became a donor to your campaign also, I think may have given a contribution in kind?
- 40 W She gave \$35,000, yes.
- CA That was in payment for a mail-out perhaps?
- W That's correct. Some people wanted to contribute towards something, so rather than just into a general fund, they ask, "Can we pay for something?" As I have already said, it's \$35,000 for a mail-out across the city. Sally contacted and said, "Is there something I can contribute to?" I said, "We're doing a final mail-out. It would be very helpful if you would consider paying for that."
- 50 CA Does she do any business, do you know, in the Logan City area, given that her travel agency is at Mermaid Beach?
- W She's part of the Australia-China Chamber of CEOs, whose office is in Logan. Sally has been with other members of the Australia-China

Chamber of CEOs that have had meetings with the Chinese Consul at times, Dr ZHAO, who has now gone back to another country just in the last few weeks. Sally has been in meetings with me around those interactions that we've had. And also our last delegation that we took to China as a city, Sally helped with meeting - sorry, the Australia-China Chamber of CEOs, which Sally was part of, helped us with meeting different people in China for purposes of looking at Logan as a place to invest in the future.

10 CA There's one other anomaly I just want to ask you about. We looked at Logan Futures' third party disclosure return and we looked at the schedule. Do you recall that?

W Yes.

CA We probably don't need to go back to it, but insofar as it records donations from an entity associated with the YUEs, the disclosure return records the donor as being Australian Yues International Development Group. Do you know how the donor came to be so described on the third party return?

20

W Yes, I do.

CA How?

W We had sent all of the donors an email - sorry, or I contacted some by phone and said, "How would you like us to record your donations and what company?" That was the company that they gave us at the time.

30 CA Did you receive cheque donations from Terry YUE?

W Yes, I did.

CA Did you see who the drawer of the cheques was?

W No, I didn't look at that.

CA You didn't look at it?

40 W No.

CA Who had the interaction with Mr YUE or a company associated with him for the purpose of obtaining that description, that name description that appears on the schedule, Australian Yues International Development Group? Was it you or someone else?

W No, I contacted his son, Terry.

CA What, to ask him how to describe?

50

W Which company they would like us to attribute the donations to, or whether it was to their family themselves.

CA It transpired there was a bit of a problem with that, wasn't there?

W I have had a few media interviews about that, yes.

CA Because it wasn't an incorporated entity at the time?

W This is what I understand to be true, yes.

CA What did you do, simply suggest to Mrs DORE that she record according to what she had been told?

10 W We got the information from Terry, we wrote down the exact information he gave us, and that's what we submitted to the Electoral Commission.

CA And didn't notice what was on the cheques that he provided you with in terms of from what source the money was coming?

W No, I didn't. Either way, we believed that it was still money from the YUEs, and whether it's their company or them, we still accept it was from the YUEs and their family.

20 CA You accept that there are rules about disclosure, aren't there, in the *Local Government Electoral Act*?

W Which is why we ticked "Incomplete" when we submitted - the directors ticked "Incomplete" when they submitted their report, so that we could address anomalies as they come up over the four-year period.

CA Does Logan Futures Pty Ltd still exist?

30 W No.

CA As and when anomalies reveal themselves or may reveal themselves with the disclosure return, how is that to be attended to? Have you got any idea?

W Yes. The director Grant DEARLOVE has committed - and Rhonda, sorry, have both committed to amending any return, should we find those anomalies, as they come up.

40 CA They may have given some assurance of that kind, but in fact they're no longer directors of the company, are they?

W No, they're not.

CA So have you and Mr DEARLOVE and Mrs DORE simply discussed what you think is the best thing to do in that situation?

W I don't understand the question.

CA Well, the company doesn't exist?

50 W Mmm-hmm.

CA They don't exist as directors, but you mentioned the prospect of amending the third party disclosure return as and when anomalies surface?

W Mmm-hmm.

CA But in fact whatever discussion you've had with them could be really no more than a friendly chat, given that they don't have any official status; is that right?

W That seems to be a very hypothetical question.

10 CA No, it is a real question because they're not directors.

W At this stage, I have answered the question and I believe that they would do what was right.

CA Could I just ask you to look at this register of interests, Councillor SMITH.

W Thank you.

20 CA Is that your register of interests of a councillor submitted on 7 June 2017?

W Yes, it is.

CA What are the circumstances that require its completion, as you understand them?

W What do you mean by "circumstances", sorry?

30 CA Why did you complete this document?

W My understanding, any gifts given to the council over \$500 needs to be recorded in a register of interests within 30 days. Also have to identify bank accounts and property owned.

CA The entry of Logan Futures appears on page 7; correct?

W Yes, that's correct. Do you mean of the deregistration?

40 CA Is that an attempt by you to list your donors?

W I beg your pardon?

CA That section 12 of the document.

W I actually don't understand the question.

CA Is that a list of donors?

50 W So for the 2016 campaign?

CA Yes.

W There's only one on there. So that's Logan Futures, which I had to - which I was required to put on my register of interests. The rest was from 2012 and from a bike ride I did from Logan to Canberra.

CA Can I just ask you one more thing about the income side of your campaign. We have spoken at some length about donations, but there were also fundraising activities that you mentioned. Did they raise money?

W Some did, yes.

CA Was income from that source recorded in the Logan Futures third party disclosure return?

10 W Yes.

CA Satisfactorily, so far as you know?

W As far as I'm aware, yes.

CA That's Councillor SMITH's evidence, Commissioner.

PO Thank you, Mr RICE.

20 Mr TRIM, do you have any questions?

LR I don't have any questions, thank you, Commissioner.

PO Thank you, Mr SMITH. You are excused.

We can adjourn now until 2 o'clock?

CA Yes. Thank you, Commissioner.

30 HRO This hearing is now adjourned. Thank you.