

OP GRAND

EXHIBIT No. 233
CLERK

- 30 KB Just for the purpose of an introduction for the tape can you ju
31 birth and your current role here in the Council?
32
33 PY My date of birth is 20th April 1958. I am a Councillor ahh fo
34 was elected in March 2000 and re-elected March 2004. Ahh
35 which is an area representing Nerang, Helensvale, Oxenford and Pacific Pines and a few
36 other suburbs.
37
38 KB And how long have you held that position for?
39
40 PY Since March 2000.
41
42 KB Thank you. And do you agree that I previously have interviewed you in relation to your
43 complaint and ahh letter in relation to the Gold City Council?
44
45 PY Yes I do.
46
47 KB Thank you.
48
49 PY Several weeks ago and in the ahh in the company of another officer.
50
51 KB Yeah Mr Lincoln Hansen.
52
53 PY That's correct.
54
55 KB Thank you. If I can draw your attention to the letter that you have completed dated the 8th
56 July 2005 and it's one, two, three about the fourth page.
57
58 PY Mm mm
59
60 KB You make reference to overhearing Councillor Power telling Councillor Shepherd that
61 there would be enough left over for the rest of us.
62
63 PY Mmm
64
65 KB That particular comment.
66
67 PY Mmm
68
69 KB And ahh you believe that the remainder of the funds – this is the ahh funding for the
70 election for various candidates or yeah candidates at that stage umm have been actually
71 used for various purposes. But that particular comment can you elaborate on that at all?
72

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Inspector Ken Bemi
Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory: J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

73 PY Ahh not a great deal. I didn't make a note of it umm at the time. I vividly recall it. It
74 was probably January 2004 so a couple of months before the election. Umm it was
75 before this building was remodelled and at that point in time my office was upstairs as
76 was the office of the other councillors. We had a luncheon room right in the back corner
77 of the building and one morning I went into that luncheon room ohh it was probably
78 lunchtime in fact and ahh Councillor Shepherd and Councillor Power were sitting with
79 each other. No-one else was present in the room and as I entered they were in
80 conversation and I just heard the very end of the conversation. They'd stopped as soon as
81 I – not as soon as but almost as soon as I came into the room and I just heard those words
82 ahh from Councillor Power. And at the time umm there was a lot of rumour and umm
83 umm about funds about umm organisations but there was nothing substantive and I, I just
84 remembered that and I didn't really know what it might have meant at the time and umm
85 ahh and as I say I didn't write it down. The words that I've quoted in that letter are to the
86 best of my memory and, and, and I don't umm you know and upon re-visiting that I don't
87 have any problems saying that's what was said at the time.
88

89 KB Are you...

90

91 PY And Councillor Shepherd responded. He said "sounds good" or something like that
92 "sounds good to me", "sounds good".
93

94 KB Are you pretty sure that they were the actual words used?

95

96 PY Well as, as best as I can recall without the benefit of having it written down unfortunately
97 umm I'm just looking for that in the document itself now. Top of the page it's the first ...
98

99 KB Yeah

100

101 PY ...about the fourth page. Yeah ahh he might have said something more than that within
102 my ear shot umm but it was very much along those lines. It was umm "and there should
103 be enough left for the rest of us" or "there'll be enough for the rest of us". I'm pretty
104 certain about those words and ahh Councillor Shepherd responded "that should be good"
105 and he looked pretty positive about that.
106

107 KB Can I ask you how did you come to the conclusion that they were referring to funding?

108

109 PY Well at the time umm I wasn't certain. I suppose I still am not certain but it ahh was
110 umm ahh as I said there were lots of rumours flying around the place about an organised
111 structure, about a trust fund. We were pretty certain it was a trust fund at that point in
112 time. We'd heard various figures being umm bantered around for some months and the
113 figure was increasing presumably as the, as the funds were being accumulated and umm
114 and there was a reasonably strong suspicion that Councillor Power was involved in
115 collecting those – or not collecting personally but umm encouraging people to supply
116 money to the trust and umm ahh I suppose in conversation with other people perhaps ahh

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File Number: MI-05-2482
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117 Councillors Crichlow and, and Saroff in particular we would just often meet and talk
118 about bits and pieces we'd heard. That this person had said something to Dawn. This
119 person had said something to Eddie. I'd overheard this and we were just trying to
120 construct some sort of picture out of that which ultimately we were able to relay to the
121 media and then they went further in investigations and did in fact reveal that a lot of these
122 things were factual. There was a trust fund and there was a highly organised umm ahh
123 nature to it. Ahh but my - it was just a suspicion then that it might have meant some sort
124 of support. That it was related to the election. That it wasn't talking about umm you
125 know sandwiches in the canteen or, or food left you know for Councillors. Umm it was -
126 it seemed much more umm of a serious nature and the fact that they almost immediately
127 curtailed their conversation umm I suppose made me think that they were talking about
128 something that they didn't want me to hear about.
129
130 KB How close were you to them when they were having this conversation?
131
132 PY Ohh umm four or five metres I suppose. Ahh I entered the room and they were talking
133 and as I got within that range and had perhaps closer I would have heard them saying
134 those words.
135
136 KB And could you hear them clearly?
137
138 PY Ohh yeah yeah.
139
140 KB Did they mention anything about funding in particular? I just noticed the word funding
141 hasn't been used.
142
143 PY No no.
144
145 KB So basically the words "there would be enough left over for the rest of us".
146
147 PY And there, and there may have been more words umm ahh preceding that but they're the
148 ones that were most clear to me umm and the ones that I recall relaying to other people at
149 the time and I suppose that's why they've stuck in my mind.
150
151 KB Was any other person present with you...
152
153 PY No
154
155 KB ...when you heard this conversation?
156
157 PY No
158
159 KB Is it possible that anyone else may have heard it that you may be able to refer us to?
160

| | |
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| Complainant: | Operation Grand |
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| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

161 PY No there was ahh a very large room umm they were the only two people in that room and
162 the doors were closed.
163
164 KB And that room was here that's what you said before...
165
166 PY That's correct.
167
168 KB ...as it was getting refurbished basically.
169
170 PY Prior to the refurbishment yeah it was the Councillor's lunchroom.
171
172 KB You've already stated that you haven't made any notes in relation to the conversation.
173
174 PY No I didn't.
175
176 KB And you said about January 2004?
177
178 PY To the best of my recollection yes.
179
180 KB Can you be more specific with the date or the time?
181
182 PY Umm I would only be able to try to bring that to a narrower date rang by conversation
183 with other people umm for example with Councillor Saroff and Crichlow because umm
184 as I said we were meeting every now and again and discussing bits and pieces and they
185 may be able to assist but umm I don't think I'm going to get a lot more refined than
186 January I'm afraid.
187
188 KB Did you hear them mention anything about developers or development companies at all...
189
190 PY No
191
192 KB ...in relation to that conversation?
193
194 PY Not in that conversation no.
195
196 KB And you're not sure about the time?
197
198 PY Huh
199
200 KB The actual time.
201
202 PY The time of day?
203
204 KB Yeah

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205
206 PY Umm I said before morning but I, I think it was umm I was going in to, to get some food
207 for lunch. We used to eat – we used to have meetings ahh planning meetings Tuesday
208 mornings and council meetings here every second Friday and so it was a Tuesday or a
209 Friday or second Friday when we had those meetings because they were the days that we
210 would get some lunch. My suspicion is that it was the Tuesday because there wasn't a
211 spread of food and there weren't a lot of people whereas normally on a Friday there might
212 be – have been you know a bit congregation.
213
214 KB So was it after a planning meeting or a council meeting?
215
216 PY My guess would be that it was after a planning meeting and therefore on a Tuesday but
217 ahh I'm just now trying to formulate that I suppose.
218
219 KB Thank you. The next item – once again referring to your letter. I'd like to...
220
221 PY Can I, can I just go back to that point...
222
223 KB Sure
224
225 PY ...and I know I'm not being very helpful or very specific without certain information.
226 The reason I've brought it up in that – or the context I've brought it up in my submission
227 to the Minister is that umm I, I believe there's some money unaccounted for from that
228 trust fund and ahh ahh it is a reasonable suspicion of mine I think to believe that perhaps
229 those missing funds were used for the purpose of other people's umm election campaigns
230 but umm you know without making that stark allegation I'm just – I recall vividly that
231 conversation they had the kind of atmosphere that existed at the time where there was a
232 lot of umm secrecy. A lot of umm ahh whispered conversations if you like umm and ahh
233 and that just sticks in my mind as, as a snippet of information that may be completely
234 irrelevant but it, in my heart I believe it is somehow relevant.
235
236 KB And I do appreciate you elaborating on that point which raises a question that I have.
237 Can you provide any further information about possible funds missing from that
238 particular fund that was used? Or monies that haven't been accounted for?
239
240 PY Umm I'm genuinely not aware of where those missing funds may have been utilised.
241
242 KB And I'm referring - just for the record – I'm referring to the Lionel Barden Trust Fund or
243 Common Sense Fund as it was known.
244
245 PY Yeah. And to the best of my knowledge having looked at umm the election gift returns of
246 candidates both successful and unsuccessful in that 2004 election and comparing that
247 information with information submitted in for the election return of the trust fund there
248 appears to be discrepancies and Mr Barden has publicly stated that he didn't get any

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| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

249 benefit out of that trust fund so the assumption is all of the monies were distributed ahh to
250 election candidates and umm it doesn't seem to be accounted for. Umm there may be
251 some umm election gift register that I haven't seen but I don't believe that that's the case.
252 It would have been a very obscure candidate indeed and umm the sum is quite
253 substantial. So what I'm saying to you is I haven't looked at the election gift register of
254 every candidate in the Gold Coast Council elections. I've looked at umm by far the
255 majority of them and the few that I haven't were very obscure sort of candidates. People
256 that attracted just a few hundred votes or here and there.

257
258 KB Anything further in relation to that?

259
260 PY No, thank you.

261
262 KB The next matter I'd like to discuss with you and it's about page nine concerns Councillor
263 Shepherd holding a function to raise funds for his 2008 Council re-election campaign.

264
265 PY Mmm

266
267 KB You have here outlined in your letter the function was attended by 200 guests.
268 Development interests were invited. You were advised that \$50,000 was raised on that
269 night including a gift of \$30,000 from one donator. You share the view that that's quite
270 an extraordinary amount particularly from one person that ahh makes that contribution
271 and it concerned you enough that you've actually included it ahh in your submission.

272
273 PY Mmm

274
275 KB And I'd just like to concentrate on that for the time being.

276
277 PY Mmm

278
279 KB Can you tell me where this function was held to raise funds?

280
281 PY No I haven't made that inquiry. Sorry – I can tell you – only through what I've read in
282 the newspapers since. I believe it was the Woodchopper's Inn at Mudgeeraba. But I
283 didn't know at the time that I wrote the submission. The source of my information was
284 ahh another Councillor. In fact it was Councillor Saroff. I asked him where – what his
285 source of information was. He said it was Councillor Molhoek. M-O-L-H-O-E-K. Umm
286 I asked Councillor Saroff to confirm that umm he did. We spoke again about that and
287 ahh the information that I was provided was there had been around 200 guests.
288 Councillor Molhoek had seen a copy of the invitation and Councillor Molhoek's advice
289 was that those figures had been raised. Umm

290
291 KB Can – sorry just for the purpose of clarity here. Councillor Molhoek informed Councillor
292 Saroff of this information...

| | |
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| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

645
646 K Feel free.... (pause whilst perusing pages) have you got anything else to add Councillor at
647 this stage
648
649 P I drew your attention earlier to the um expenditure from the trust find, the Lionel (ui)
650 Trust Fund, for my tallying of expenditure from the election gift returns, uh it seems
651 there's a not-insignificant amount of money missing or not accounted for, so Lionel (ui)
652 Trust Fund records show up about a hundred and or a hundred and fifty thousand dollars
653 was raised, the election gift returns for um the four candidates, Rowe, For, Scott and
654 Betts, tallies a hundred and twenty-seven thousand dollars and a bit, so it seems there's
655 twenty-four thousand dollars there not accounted for, uh I suppose I've got two concerns
656 about that, one is um what did happen to that money secondly um I do uh quite vividly
657 recall, this is in that time in the lead up to the 2004 election when I as I said to you there
658 were bits of information coming from all over the place and one of those bits of
659 information to me was that I jut walked into the what was then the councillor s room and
660 Councillor Power and Shepherd were sitting in conversation and Power said to Shepherd
661 oh and there should be enough money left over for the rest of us, or something of that
662 nature and it uh perhaps I was just being um perhaps I thought it a bit convenient or
663 something like that but it seemed to fit in with what I'd been hearing about collection of
664 money
665
666 K (ui) you believe that there's about twenty-four thousand dollars that hasn't been
667 accounted for in relation to any uh declaration of any gifts or
668
669 P That's right
670
671 K (ui)
672
673 P Yep, it may be that twenty-five thousand dollars or twenty-four thousand dollars was uh
674 given to charity or given back to the donators
675
676 K Should that be recorded or declared in any
677
678 P I'm not sure if its required for them to declare how that money is distributed, in fact my
679 understanding is that a trust fund you only have to declare receipts of money over one
680 thousand dollars in value, I might be wrong
681
682 K Alright
683
684 P And so in fact that trust fund record may understand what the total sum of money was
685 that was available to it
686
687 K Oh we can look into that in any event so
688

| | |
|----------------|--|
| Complainant: | Operation Grand |
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| Investigator: | Detective inspector Kenneth Beml |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Danny Boyle |
| File Number: | MI-05-2482 |
| Directory : | Op Grant/interviews/Young, Peter Tp3 of 4 04.08.05 |

689 P The other thing that I might draw to your attention is the inclusion of uh similar identities,
690 one in part-(ui) significantly Paul Brinsmead, who at the time I believe a solicitor with
691 Hickey's lawyers, Hickey's lawyers managed the trust fund
692
693 K The Lionel (ui) Trust Fund
694
695 P Mr Brinsmead in ah his initial um interviews or um what do you call it when he was in
696 front of the commission in to the Tweed
697
698 END OF TAPE

rab/I-YOUNG, Peter Tp 3 of 4 04.08.2005.doc

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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Detective inspector Kenneth Beml |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Danny Boyle |
| File Number: | MI-05-2482 |
| Directory : | Op Grant/interviews/Young, Peter Tp3 of 4 04.08.05 |

COPY TAPE 4 OF 4 - RECORD OF INTERVIEW BETWEEN PARTIES

LEGAL OFFICER:

RE:

P = Peter Young
K = Kenneth Beml
L = Lincoln Hansen
ui = Unintelligible

1 K The time now is four fifty-six on the afternoon of Thursday the fourth day of August
2 2005, this is tape four of an interview with Councillor Young. Councillor the uh tape ran
3 out so we inserted another tape
4
5 P Mmm
6
7 K If you wouldn't mind continuing
8
9 P Thank you. Uh we were discussing um Mr Paul Brinspeed and uh as I said when he was
10 first appearing before the Tweed Commissioner he denied any involvement in the Tweed
11 Directions organisation, it was later revealed through documents that became available to
12 the Commissioner, or to the Commission that in fact Mr Brinspeed had a very very
13 significant role to play, and I think Professor Daly the Commissioner identified Mr
14 Brinspeed as the chief strategist um and he was involved in uh to some extent it seems in
15 the um, no I can't say that I I know he was a solicitor for Hickey's at the time and his was
16 the company who err apparently managed the trust fund so I suspect there may be some
17 involvement on the part of Mr Brinspeed um my understanding is uh the Commissioner i-
18 will be recommending that perjury charges against Mr Brinspeed and um it may, and he
19 may be struck off and I think he may have something valuable to offer to to your
20 investigations, um, uh perhaps a final point
21
22 L Sorry do you know if he's still at (ui)
23
24 P I don't believe he is
25
26 L Okay
27
28 P Um, final thing that may be of interest from this submission is uh Council of Powers,
29 election gift return in regard to what it describes as a sale of luncheon tickets, um there
30 seems to be some discrepancy or about the amount of money and the number of people
31 that purchased these tickets, his interim return uh lodged on the sixth of April shows
32 forty-seven thousand eight hundred dollars was received for luncheon tickets from

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Statement Of: Councillor Peter Young
Legal Officer: Danny Boyle
File Number: MI-05-2482
Directory : Op Grand/interviews/Young, Peter Tp4 of 4 04.08.05

33 seventy-six persons, his final return which seemingly covered the same period up until
34 the third of March in respect of luncheon tickets, uh shows a value of fifty-eight thousand
35 dollars from four hundred and sixty four people, um, so (ui) quite a significant difference
36 in the number of people but the less significant difference in the uh the value of their total
37 donations, uh, probably got two concerns there, one is the amount of money that's raised
38 for these luncheon tickets and the real probity of that or the integrity of the of that and um
39 and the other thing the values or the amounts that have been put in against the number of
40 people.

41
42 K So you're saying the amounts declared wasn't necessarily the amounts

43
44 P Well, um I'm concerned that the amounts when you compare them with the number of
45 people who purchased the luncheon tickets doesn't doesn't provide a very good
46 mathematical equation, so there seems to be some discrepancy either in the interim return
47 or the final return or in both, and again maybe two issues here one is uh there may not be
48 any uh there may or may not be some uh concern about the legality of those or accuracy
49 of those statements, my understanding is that it's not unlawful to take money for
50 luncheon tickets, um, it seems to be another problem with our legislation because
51 anecdotally I'm told of people providing five thousand dollars cash to his campaign
52 which just becomes luncheon tickets... it's an easy way to accrue money and um yeah

53
54 K Well thank you for that... are you aware of any candidates associated with the power
55 bock of such, the time of the March 2000, 2004 elections that didn't declare that they
56 received any donations from any of these companies or you feel they should declare that

57
58 P (Clears throat) Either from the companies or from the trust fund

59
60 K Yes

61
62 P Oh well I believe, oh I'm highly suspicious of Councillor Powers election gift return and
63 I'm suspicious of Councillor uh Shepherd return, I think that indicates he got fifteen
64 thousand dollars from his mother-in-law, something my understanding is that they're not
65 wealthy people, and uh

66
67 K Just a suspicion, can you provide any evidence of that

68
69 P Uhh, well I I can't provide evidence that they're not wealthy people

70
71 K Sorry, to provide evidence to the contrary that they may not have received the money
72 from the person or persons they

73
74 P (ui) (over talking)

75
76 K Claim they have received it from

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Statement Of: Councillor Peter Young
Legal Officer: Danny Boyle
File Number: MI-05-2482
Directory : Op Grand/interviews/Young, Peter Tp4 of 4 04.08.05

249 bit of a picture if you like [clears throat] which ah, we relayed to, members of the media
250 (ui) when I say we it's principally myself Councillor SARROFF and Councillor
251 CRICHLow, and ah, in the previous council there were, there was a fairly strong, ah,
252 group of councillors, in, in-an, any case and they, often vote with each other on, matters
253 and, an-an-and I think it was always .. ah, there was a perception in the community [hand-
254 clap] that it was fairly pro-development sort of council .. but ah .. what seemed apparent,
255 to us at the time was errr, there was a lot of fund raising going on, candidates were being
256 very carefully chosen, ahm, promises were being made to, developers or people in the
257 development industry and certain outcomes if they back it, so we didn't have a real lot to
258 go on and we put it [soft hand clap] to the media and they .. ran a few articles just to try,
259 flush some things out of the system if you like, and ah, ultimately, er-er, it became more
260 apparent that there was in deed something going on and .. many questions were asked of
261 people that, were considered to be, associated with this group, and they all denied any
262 involvement, ah .. [tut] .. I think it was probably then, after the election [clears throat]
263 when it was revealed, who was, recipient of the money, who had been strategising with
264 each other, in the lead up to the election that-that determined the block was, first coined

265
266 KB Who-who termed the block the media the Council

267
268 PY [Over talking] Probably, probably .. no probably the media

269
270 KB Media

271
272 PY I'm not sure [clears throat] and really that's .. [tut] that-was, typically, associated with ah,
273 groups of countries, that

274
275 KB [Over talking] (Ui)

276
277 PY Such as Eastern Block, so ah

278
279 KB [Over talking] Eastern Block (ui)

280
281 PY I think it came from the media, ah, just to ah portray a, a, the fact that there was a,
282 consolidated group of people who, had um, similar philosophies if you like er and a
283 closer connection being, they're organised, the organised nature and structure of their
284 campaigns, and pro-development block is probably ah a natural progression from there
285 when it was seen time and time again that they, put their hands up for, things that were,
286 very evidently gonna be, providing a benefit to, the development industry or individual
287 [clears throat] ah, outcomes .. most principally, ah, was the issue of infrastructure
288 charges, infrastructure charges, are provided now under the Innovated Planning Act, er
289 the ah, the ability for Councils to, lawfully introduce infrastructure charges or apply them
290 was [traffic noise in background] the complainant of, (ui) and ah, became effective
291 [sound of mug being placed on table] I think around, the end of 2003 [clears throat] and
292 after a very long period of, ah, development, ee' with stakeholders from Council from the

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Subject(s): Operation Grand
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Legal Officer: Danny Boyle
File Number: MI-05-2482
Directory : Op Grand/interviews/Young, Peter Tp2 of 4 04.08.05

293 development industry from, community groups and whatever, this Council adopted and
294 implemented infrastructure charges in, January of 2004, which enabled us to lawfully
295 apply a charge per allotment or per apartment or whatever it may be ah, to gather money
296 for roads, ah, parks and other recreational facilities, for stormwater works [shuffling of
297 plastic in background] and so on whereas previously we could apply, conditions which
298 would give us [soft knocking sound in background] some money but, they (ui) very
299 dodgy and, we could be easily challenged on them and, and quite often lose, (ui) scope is
300 lawfully provision, ah, the, the costs were quite high or, from the point of view of the
301 developer who previously might have been paying, a couple of thousand dollars per
302 allotment, in a sub-division [clears throat] to Council for various things, water 'n, well
303 stormwater and parks and so forth, all of a sudden (ui) in some cases that was up to 12
304 thousand so that was quite a hefty increase .. and so ah .. [tut] there was some descent
305 amongst the development industry, and .. I-I don't have any .. fact I don't have any
306 photographs I don't have any invitations in writing, but ahm .. ah [sighs] I'm lead to
307 believe, from a number of sources that, people were invited ff-people from development
308 industry were invited to meetings that Council by Councillor POWER or on behalf of
309 him or at which he attended and he basically told those people, you put your money into
310 this and we will look after you we will achieve a better outcome for you, in the new
311 Council, so there's, charges were introduced January 2004 .. it was quite clear, just prior
312 to January 2004 that was the nature of the charges that we were going to be introducing
313 because we'd, made a decision, probably a couple of months before that and said you
314 know these will come into effect from then, and I believe he's, he probably had meetings
315 with, those developers as early as November 2004, and I don't know how many meetings
316

317 KB Mmm

318
319 PY But, I heard that from, I heard that first-hand from developers who'd gone along and been
320 told you know we'll, we'll look after you ahm .. [tut] so [sighs] ss' .. immediately after
321 the election, there's a very strong [clears throat] [page ripped in background] .. ah, agenda
322 evident that those charges would be reduced, and that became a ah, a-a principle focus of,
323 of the Council for a long time, and ultimately, t' be objective wasn't successful because
324 we were able to, identify that, a major part of the solution that was, gonna be pursued was
325 unlawful [clears throat] but, that was only after, some very dogged ah, and persisted
326 efforts and, and ah, us insisting a few of us insisting on legal advice, which the officers
327 never finally even showed to us even though we're the elected, body, ah, because I think
328 they were embarrassed by the ah, the content of it, but they certainly tried to hide that
329 stuff from us for a long time, an', and ultimately, when it was flushed would, we
330 couldn't, Council couldn't adopt the changes that were being, muted but, if they had and
331 we were just on the, the edge of the precipice if you like, ah we would've, reduced the
332 charges very significantly and reduced the nature, of how they were paid for so, there
333 were some people who had received [sighs] development approvals let's say is old, in
334 two or three years ago, and they were now in caught up in this new, charging scheme
335 because they'd hadn't actually undertaken the development so
336

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Detective Inspector Ken Beml
Statement Of: Councillor Peter Young
Legal Officer: Danny Boyle
File Number: MI-05-2482
Directory : Op Grand/interviews/Young, Peter Tp2 of 4 04.08.05

337 KB Mmm
338
339 PY Charges apply for the time that you, perform the sub-division, for example, [tut] so is,
340 these people that have the old, D-As were, some of the principle motivators in trying to
341 secure a, a ah, change in the payment whereby, they wouldn't have to pay [female voice
342 in background] and anyone 'ho had their approval after January 2004 would have to pay,
343 and, and pay a premium if you like to, to ah off-set, what these people weren't paying,
344 and that was found to be unlawfully but .. these people, ah, are very much behind the
345 election campaigns of some of these, Councillors, but these people have a very invested
346 interest in the outcome being, would change the scheme, and mechanism for, for paying
347
348 KB Who are the members of the so called power block, in your opinion
349
350 PY Yeah within the Council there's POWER .. HACKWOOD .. PFORR .. ahm [sighs] just
351 going through the numbers
352
353 KB Sure
354
355 PY LA CASTRA .. (ui) GREW .. MCDONALD .. so that's the
356
357 KB So how many
358
359 PY The hub of it
360
361 KB How many's that out of the total number of Councillors
362
363 PY I don't know I've probably missed a few okay [soft hand clap] from the top
364 HACKWOOD, POWER .. PFORR .. [knocks table] HACKWOOD POWER PFORR
365 that's three .. LA CASTRA .. SHEPHERD .. GREW .. [knocks table] MCDONALD ..
366 and they did have ROBBINS
367
368 KB So that's seven at the moment .. seven out of how many
369
370 PY Fifteen .. [over talking] they yeah [clears throat]
371
372 KB [Over talking] (Ui) half 'n half is it
373
374 PY Ah [squeaky chair noise]
375
376 KB [Over talking] (Ui)
377
378 PY The, the others are pretty reliable
379
380 KB Mmm

| | |
|----------------|--|
| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Detective Inspector Ken Bemi |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Danny Boyle |
| File Number: | MI-05-2482 |
| Directory : | Op Grand/interviews/Young, Peter Tp2 of 4 04.08.05 |

249 benefit out of that trust fund so the assumption is all of the monies were distributed ahh to
250 election candidates and umm it doesn't seem to be accounted for. Umm there may be
251 some umm election gift register that I haven't seen but I don't believe that that's the case.
252 It would have been a very obscure candidate indeed and umm the sum is quite
253 substantial. So what I'm saying to you is I haven't looked at the election gift register of
254 every candidate in the Gold Coast Council elections. I've looked at umm by far the
255 majority of them and the few that I haven't were very obscure sort of candidates. People
256 that attracted just a few hundred votes or here and there.

257
258 KB Anything further in relation to that?

259
260 PY No, thank you.

261
262 KB The next matter I'd like to discuss with you and it's about page nine concerns Councillor
263 Shepherd holding a function to raise funds for his 2008 Council re-election campaign.

264
265 PY Mmm

266
267 KB You have here outlined in your letter the function was attended by 200 guests.
268 Development interests were invited. You were advised that \$50,000 was raised on that
269 night including a gift of \$30,000 from one donator. You share the view that that's quite
270 an extraordinary amount particularly from one person that ahh makes that contribution
271 and it concerned you enough that you've actually included it ahh in your submission.

272
273 PY Mmm

274
275 KB And I'd just like to concentrate on that for the time being.

276
277 PY Mmm

278
279 KB Can you tell me where this function was held to raise funds?

280
281 PY No I haven't made that inquiry. Sorry - I can tell you - only through what I've read in
282 the newspapers since. I believe it was the Woodchopper's Inn at Mudgeeraba. But I
283 didn't know at the time that I wrote the submission. The source of my information was
284 ahh another Councillor. In fact it was Councillor Saroff. I asked him where - what his
285 source of information was. He said it was Councillor Molhoek. M-O-L-H-O-E-K. Umm
286 I asked Councillor Saroff to confirm that umm he did. We spoke again about that and
287 ahh the information that I was provided was there had been around 200 guests.
288 Councillor Molhoek had seen a copy of the invitation and Councillor Molhoek's advice
289 was that those figures had been raised. Umm

290
291 KB Can - sorry just for the purpose of clarity here. Councillor Molhoek informed Councillor
292 Saroff of this information...

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Inspector Ken Bemi
Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory : J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

293
294 PY That's right.
295
296 KB ...who subsequently informed yourself.
297
298 PY That's right.
299
300 KB That's the chain of events?
301
302 PY Yep. I'm afraid that's about as good as it gets.
303
304 KB That's fine and we know that it was at the Woodchopper's Inn at ahh Mudgeeraba.
305
306 PY Yes
307
308 KB Can you tell me when it was held?
309
310 PY Ahh I don't have a specific date. I think umm I think May of this year.
311
312 KB And what kind of function was it?
313
314 PY Ahh I believe it was to raise funds for his 2000 [8?] election campaign so it was umm
315 umm food was offered. I expect there would have been speeches. I don't know if there
316 was any entertainment as such but...
317
318 KB Was it like a formal dinner?
319
320 PY I don't know if it was formal in terms of ahh sitting down and being served but I
321 understand there was food served so whether it was more ahh buffet or a umm formal ahh
322 or even more akin to a BBQ I couldn't say.
323
324 KB Could you provide the name or names of any other person or persons that may be able to
325 assist us with this inquiry to obtain further information?
326
327 PY Umm probably only Councillor Molhoek who he himself ahh I understand has seen a
328 copy of the invitation. Has spoken with people that attended the function. Umm and
329 those people that were invited.
330
331 KB What was the function called? Did it have a name?
332
333 PY I don't know.
334
335 KB And those figures you've quoted here \$50,000 was raised on that night. Once again that
336 would have come from Councillor Saroff from Councillor Molhoek?

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Inspector Ken Beml
Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory : J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

337
338 PY That's correct yep.
339
340 KB And likewise by number of guests and the \$30,000 being received from one contributor
341 again came from Councillor Molhoek?
342
343 PY That's correct yep.
344
345 KB Have you caused any further inquiries to be made in relation to that just to satisfy yourself
346 or?
347
348 PY Umm not directly. Ahh I'm aware through umm media reports umm ahh wherein
349 Councillor Shepherd is rejecting the claims that the figure raised was in – he's stating
350 much – or the net figure raised was much less than that. Umm.
351
352 KB Do you know who the contributor was that provided the \$30,000.00?
353
354 PY No I don't.
355
356 KB And by any standard that's...
357
358 PY Councillor Shepherd rejects that that was – that there was any.
359
360 KB So he doesn't agree that \$30,000.00 was provided by a contributor?
361
362 PY I believe his figure is more in the order of \$9,900 ahh net.
363
364 KB So all up that's all that was raised \$9,900 or just from that one contributor?
365
366 PY Ahh that's what Councillor Shepherd is saying is all up.
367
368 KB All up for that night?
369
370 PY Yeah not 50.
371
372 KB Sure
373
374 PY Umm whether that's ahh the 50 that I was told of was a gross or net sum I don't know.
375 Ahh but obviously there's a pretty significant difference in those figures.
376
377 KB Would that information be required to be recorded in any register at all?
378
379 PY Umm to the best of my knowledge ahh an election gift register would only require that
380 information to be umm ahh recorded after the next election. To the best of my

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Inspector Ken Bemis
Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory: J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

381 knowledge Councillor Shepherd has subsequent to that information that you've got there
382 in my submission to the Minister becoming public umm he has ahh made some kind of
383 submission to the CEO of Council ahh advising what he asserts to be the real facts and
384 figures. And I haven't looked at that material.

385
386 KB Do you know who attended the function?

387
388 PY I don't.

389
390 KB You don't know what developers or development companies may have attended?

391
392 PY I'm only ahh I've read about one and that was umm Villa World who apparently
393 purchased 25 tickets. And I only know that from a media - a public statement I think
394 from Councillor Shepherd.

395
396 KB So just to summarise the information you've provided.

397
398 PY The, the information related to that I need to make it clear isn't necessarily to assert that
399 umm raising funds is unlawful or that even the sum of funds is in any way unlawful. The
400 objective there was to illustrate to the Minister that by virtue of Councillor Shepherd's
401 position as the Chairman of the Planning Committee and a position that he has
402 deliberately taken to assert in that role which is considered by me at least to be unusual
403 whereby he ahh is nominating himself or, or presenting himself as the single point of call
404 for all developers, it puts him in a position of potential umm or certainly influence over
405 the outcomes and we have information before us through agenda items whereby
406 Councillor Shepherd has been present at meetings with developers has exerted his
407 influence in terms of what the outcome will be. Officers have taken on board Councillor
408 Shepherd's position on a particular matter. So being the single point of call I'm
409 suggesting to the Minister puts him in a position where he ahh has the potential to umm
410 have a lot of influence over an outcome - a planning matter - prior to the Council itself
411 making any decision or indeed the Committee and the umm ahh that combined with his
412 openly apparently inviting development interests to fund raising functions at this point in
413 time raises questions about or at least there's a perception in the community of some
414 concern about the relationship that might exist between him and developers so I'm not
415 necessarily alleging any wrong doing in my submission to the Minister it's just to indicate
416 to her there is the potential for umm conflict of interest.

417
418 KB Conflict of interest

419
420 PY Or a perception of conflict of interest in the minds of the community which is obviously
421 pretty paramount. My comprehension to now is that Mr Needham won't - or this CMC
422 investigation won't have the ability to look at that kind of relationship between
423 development interests and Councillors which I have to say I think is a fundamental umm
424 weakness in the whole thing. Again I don't think and maybe I might have written it

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Inspector Ken Bemis
Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory : J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

425 poorly but I don't think what I'm doing in my submission is alleging any wrong doing on
426 his behalf. It's that potential given those circumstances.
427
428 KB Are you aware if there any representatives from the media present at the fund raising
429 event?
430
431 PY I'm not aware. Don't know.
432
433 KB Was it widely publicised prior to the event taking place?
434
435 PY I don't think there was any publicity whatsoever. I believe it would have just been
436 invitations.
437
438 KB To a select group of persons?
439
440 PY Yes, yep.
441
442 KB Who else from the Council here would have attended?
443
444 PY I'm not aware of anyone that attended apart from as I said that one company who
445 purchased tickets and I don't even know if they attended.
446
447 KB Do you know how Councillor Molhoek would have been made aware of that
448 information?
449
450 PY My understanding is he was approached by people who had been invited.
451
452 KB And you don't know who?
453
454 PY I don't know. And I believe Councillor Molhoek has a copy of the invitation and I don't
455 know if it has an addressee on it or if it's just a generalised thing and I haven't seen it.
456
457 KB Anything further in relation to that matter?
458
459 PY Nothing
460
461 KB The next matter involves your submission here pertaining to John Fish and Councillor
462 Pforr.
463
464 PY Mmm
465
466 KB In particular significant parcels of land on Hope Island within Councillor Pforr's
467 Division.
468

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Inspector Ken Bemis
Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory : J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

821
822 [Shuffling of files]
823
824 [Double clicking of mouse]
825
826 PY If it's ah ..
827
828 KB We've got this one
829
830 PY Is that the first dot point
831
832 KB (Ui) [spoken faintly]
833
834 PY Sixteenth of November 2004 .. no we've done that I think .. I know it's two on the same
835 day .. [shifting of mouse] .. I think we spoke about Ducat's Road .. on the Sixteenth
836
837 KB Yeah
838
839 PY To deal with them [knocking sounds][shuffling of papers] .. [keystrokes on a keyboard] ..
840 ah .. yeah [clears throat] .. again .. the Sixteenth of ah .. November .. seeking approval for
841 a second dwelling, to Julie Way .. officers are saying .. eh as they have in, each other case
842 the ah [tut] .. it's a matter of concern to the State Government, the ah, there's no
843 provision in the planning scheme for a rural, for a second dwelling on a rural site, the
844 application should be, (ui) we should not, allow assessment under the superseded
845 planning scheme and that was again ah, overturned
846
847 KB Whose division is that, Councillor POWER's again
848
849 PY No that's, Councillor SHEPHERD
850
851 KB SHEPHERD
852
853 [Turning of pages]
854
855 [Keystrokes on keyboard]
856
857 KB Right [shuffling of papers] we'll move on, sorry you're, still going with that one or
858
859 PY No
860
861 KB Right, if I can move on to the next one .. Councillor you allege that Councillor, POWER
862 has provided a false election return, about a 2000 .. well a donation for, YARRON or
863 YARRAN PTY LTD
864

| | |
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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Detective Inspector Ken Bemis |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Danny Boyle |
| File Number: | MI-05-2482 |
| Directory : | Op Grand/interviews/Young, Peter Tp2 of 4 04.08.05 |

865 PY Yeah

866

867 KB Can you, provide, specific information, relating to that and

868

869 PY Ah [pages being turned] .. the information that you have before you and I have a copy of

870 [shuffling of paper in background] Councillor POWER's election gift return

871

872 KB So the substance of this, matter is that he didn't [movement of file] .. declare

873

874 PY Well I suppose there's two

875

876 KB The donation that's one

877

878 PY Issues of concern one is .. this is his final return [pages being turned in background] ..

879 dated aah .. undated .. ah .. which indicates .. amongst other gifts a gift from EARRANE

880

881 KB Yes

882

883 PY Y-A double R-A-N-E

884

885 KB Yeah

886

887 PY Propri-Propriety Limited of Old Pacific Highway Yatala

888

889 KB Yeah

890

891 PY Ah [shuffling of paper] to the best of my knowledge it doesn't appear that there's any

892 company of that name

893

894 KB So he has actually declared the two thousand dollars but, you're saying (ui), what you're

895 alleging is that, it's a false company it doesn't exist

896

897 PY Ah well I'm, alleging that the (ui) the information is materially, ah incorrect

898

899 KB Right

900

901 PY [Clears throat] In that the, name of the company and the address, not correct there is no

902 YARRANE there is a YARRANE with a, second Y in it which seems

903

904 KB An American company, is it

905

906 PY Which has an office at Oxenford

907

908 KB Alright okay is there an American involved with that from memory

| | |
|----------------|--|
| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Detective Inspector Ken Bemis |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Danny Boyle |
| File Number: | MI-05-2482 |
| Directory : | Op Grand/interviews/Young, Peter Tp2 of 4 04.08.05 |

909
910 PY I believe .. that's its American owned
911
912 KB [Over talking] (Ui) yeah
913
914 PY Yeah [clears throat] .. but it has an Oxenford office .. so .. on the one hand it y' know it
915 may be argued that that's a minor ah
916
917 KB Could it be a spelling mistake or has he .. could he have spelt it the wrong way
918
919 PY Yeah could've spelt, it, incorrectly and, could've got the address wrong too ..
920
921 [Faint female voices in background]
922
923 KB And the other issue
924
925 PY The ah .. the issue here was, Councillor POWER's involvement in seeking to achieve a
926 different outcome which would have, ah provided some sig-significant benefit to
927 YARRANE in the matter of a sub-division application that they had, on a ah, on a site, in
928 ah, within his area, in Maudsland ah, [tut] whereby ah .. officers had, reviewed the
929 proposal and, [tut] ah now, I'm a bit sketchy on this one cause I wasn't at the meeting,
930 but ah .. aahh .. [tut] Councillor POWER had sought for the re' the inclusion of a certain
931 number of allotments, ahm .. by virtue of moving some, stormwater, devices into the an
932 area that was to become parkland or that was already parkland
933
934 KB Except (ui) interrupt Councillor
935
936 PY Mmm
937
938 KB I won't, have this opportunity, to ah change the tape we're about to run out
939
940 PY Okay
941
942 KB Time now is 3:58 PM
943
944
945 [END OF TAPE]

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|----------------|--|
| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Detective Inspector Ken Bemi |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Danny Boyle |
| File Number: | MI-05-2482 |
| Directory : | Op Grand/interviews/Young, Peter Tp2 of 4 04.08.05 |

COPY TAPE 3 OF 4 - RECORD OF INTERVIEW BETWEEN COUNCILLOR PETER YOUNG OF THE GOLD COAST CITY COUNCIL AND DETECTIVE INSPECTOR KENNETH BEMI OF THE CRIME AND MISCONDUCT COMMISSION AND ALSO PRESENT FINANCIAL INVESTIGATOR LINCOLN HANSEN OF THE CRIME AND MISCONDUCT COMMISSION

LEGAL OFFICER:

RE:

P = Peter Young
K = Kenneth Bemi
L = Lincoln Hansen
ui = Unintelligible

1 K Time now is four oh-eight p-m on Thursday the fourth day of August 2005, this is tape
2 three of an interview being conducted with Councillor Peter Young of the Gold Coast
3 City Council. Before we changed the tape Councillor you were referring to a specific
4 matter involving Councillor Power and you made reference to some storm water uh
5
6 P M-hmm
7
8 K Drains that had to be
9
10 P Yep, this is a matter
11
12 K (UI)
13
14 P Related to (UI) (clears throat) see the developer hadn't uh made a submission to the
15 officers that stom- some storm water devices could be instal- pardon me, installed within
16 park land, the officers had rejected that and um argued fairly strongly in the document
17 that uh those devices should be um not allowed to be within within the creek line
18 basically and that would result in the loss of eight allotments uh a yield of eight
19 allotments to the developer, um (ui) as I said beforehand I wasn't at the committee but I
20 recall uh hearing about this at the time and uh I know Councillor Saroff has made a
21 submission to the C-M-C to the effect that Councillor Power argued pretty strongly for
22 the uh modifications to enable the reinstatement of those eight allotments, that was um
23 supported by the majority of the committee um subsequently the minutes of the meeting
24 didn't reflect that outcome, Councillor Saroff took it up with the officers who said that
25 there'd been a certain amount of discussion and negotiation with Councillor Power in the
26 meantime resulting in a different outcome than the one that he had sought and gained
27 support for, so there was concern uhh, from Councillor Saroff's point of view that the
28 minutes didn't provide a proper reflection of the committee decision which in itself may

| | |
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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Detective inspector Kenneth Bemi |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Danny Boyle |
| File Number: | MI-05-2482 |
| Directory : | Op Grant/interviews/Young, Peter Tp3 of 4 04.08.05 |

29 have more openly displayed Councillor Power's um determination or his objective, which
30 was to have those lots reinstated, um- the uh the ultimate outcome being that the there
31 wasn't a change made in terms of the lot yield the the officers position prevailed um so in
32 this case there was no outcome that you can say uh arose from any relationship that might
33 exist between Councillor Power and (ui) but uh it was an indication of uh it seems a
34 strong attempt by him to achieve an outcome that would have benefited one of those
35 companies that provided financial support to his campaign, his election campaign, um
36 and there've been a number of those sorts of instances
37

38 K (ui) you know of these, correct me if I'm wrong but the meetings though of either full
39 Council or the committees aren't tape recorded are they (ui)

40
41 P No, oh full Council is

42
43 K Full Council is

44
45 P But the tapes are destroyed after a few weeks

46
47 K Oh right, so we wouldn't be able to obtain tapes of these issues that were discussed
48 before full Council

49
50 P Um, unless one of the Councillors requested a copy of the tape and I certainly haven't for
51 that particular meeting

52
53 K So, what we're saying with this one, the one of the main concerns is one of the
54 Councillors, Saroff was it

55
56 P Mmm

57
58 K He believed that the end product contained in the minutes wasn't an accurate record of
59 what was discussed during that committee meeting

60
61 P Or what was resolved

62
63 K What was resolved I should say

64
65 P Yeah, so in a nutshell the officers recommended an outcome which would have resulted
66 in a loss of eight allotments, Councillor Power moved then had support of the committee
67 to have those eight lots reinstated and um that wasn't reflected in the minutes in f- instead
68 what was reflected in the minutes was what was negotiated between the officers and
69 Councillor Powers in the days subsequent which achieved hopefully a the proper outcome
70 in terms of yields and storm water treatment and that sort of stuff, but it was (ui) the fact
71 that the minutes don't reflect properly what was the outcome is um unfortunate in this
72 case because it means that there's no proper record of of Councillor Powers seeking to

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Detective inspector Kenneth Bemis
Statement Of: Councillor Peter Young
Legal Officer: Danny Boyle
File Number: MI-05-2482
Directory : Op Grant/interviews/Young, Peter Tp3 of 4 04.08.05

73 achieve and I think Councillor Saroff is of the con- of the, has a concern that not only is
74 there a certain amount of collusion evident in this Council between officers and some
75 Councillors, um but also that uh there's a certain amount of influence
76
77 K So Councillor Power is a member of this Committee, that
78
79 P Yeah
80
81 K (ui) and he excuse himself at all from the
82
83 P No no
84
85 K (ui)
86
87 P He was the one that was
88
89 K Yeah
90
91 P Arguing strongly and
92
93 K I guess what I'm alluding to do you think he should have excluded himself
94
95 P Ohh he'd he'd, there was no declaration made of a conflict of interest
96
97 K (ui) (over talking)
98
99 P Like that or a potential conflict of interest, no
100
101 K Do you think he should have done though
102
103 P Uhh
104
105 K At that committee meeting
106
107 P Yeah I believe so, but um
108
109 L Is there a requirement anywhere in
110
111 P (Laughs)
112
113 L Your policies if that happens
114
115 P No
116

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Detective inspector Kenneth Bemi
Statement Of: Councillor Peter Young
Legal Officer: Danny Boyle
File Number: M1-05-2482
Directory : Op Grant/interviews/Young, Peter Tp3 of 4 04.08.05

117 L (ui)
118
119 P The uh... there used to be and that was removed, the um underlying requirement is
120 consistent with the local government act which is just that there not be any uh material
121 personal
122
123 ? Conflict
124
125 P Benefit
126
127 ? Mmm
128
129 P And uh the public interest shall prevail, so Councillor Power is very well versed in his
130 um statement about conflict of interest and he knows exactly that the law says you make
131 it up in, you make the decision in your own mind and if you can um represent public
132 interest then you can proceed, um I certainly have a different point of view which is that
133 it's a lot more ethical to uh declare where there may be a conflict of interest or where that
134 there could be perceived that there's a conflict of interest
135
136 L Sure
137
138 P And at least make that declaration and and allow your peers to make a decision about that
139
140 L Mmm mmm
141
142 P But um again it's not, I don't believe it's an unlawful thing
143
144 L Because err- the minutes that come out of these sort of committee decisions, when it goes
145 on to Council for final decision, that they have the minutes of the committee to chew over
146 as well when they're making that decision
147
148 P Yes, that's right
149
150 L Yeah, okay
151
152 P That's effectively what the full Council will deal with, it will have the agenda on one
153 hand with which contains the officer's recommendations and the minutes which are the
154 committee's recommendations which then ninety-nine percent of the cases are just lifted
155 from the officers, you know without change
156
157 L Yeah
158
159 K Anything else
160

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Detective inspector Kenneth Bemi
Statement Of: Councillor Peter Young
Legal Officer: Danny Boyle
File Number: MI-05-2482
Directory: Op Grant/interviews/Young, Peter Tp3 of 4 04.08.05

425 poorly but I don't think what I'm doing in my submission is alleging any wrong doing on
426 his behalf. It's that potential given those circumstances.
427
428 KB Are you aware if there any representatives from the media present at the fund raising
429 event?
430
431 PY I'm not aware. Don't know.
432
433 KB Was it widely publicised prior to the event taking place?
434
435 PY I don't think there was any publicity whatsoever. I believe it would have just been
436 invitations.
437
438 KB To a select group of persons?
439
440 PY Yes, yep.
441
442 KB Who else from the Council here would have attended?
443
444 PY I'm not aware of anyone that attended apart from as I said that one company who
445 purchased tickets and I don't even know if they attended.
446
447 KB Do you know how Councillor Molhoek would have been made aware of that
448 information?
449
450 PY My understanding is he was approached by people who had been invited.
451
452 KB And you don't know who?
453
454 PY I don't know. And I believe Councillor Molhoek has a copy of the invitation and I don't
455 know if it has an addressee on it or if it's just a generalised thing and I haven't seen it.
456
457 KB Anything further in relation to that matter?
458
459 PY Nothing
460
461 KB The next matter involves your submission here pertaining to John Fish and Councillor
462 Pforr.
463
464 PY Mmm
465
466 KB In particular significant parcels of land on Hope Island within Councillor Pforr's
467 Division.
468

Complainant: Operation Grand
Subject(s): Operation Grand
Investigator: Inspector Ken Bemi
Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory : J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

469 PY Mmm
470
471 KB Perhaps if I can just run through that again.
472
473 PY Certainly
474
475 KB You prom ahh promulgate here that Fish Developments made a \$11,000 donation to
476 Councillor Pforr's campaign. \$10,000 to the Common Sense Trust and \$24,000 to the
477 campaign of the unsuccessful candidate Brian Rowe.
478
479 PY Yep. I have to advise you that whereas that my submission says Fish Developments I
480 think that there may have been other companies of Fish...
481
482 KB Apart from Fish – under Fish
483
484 PY Or Fish Developments.
485
486 KB Right
487
488 PY They may have been his companies as such but not all called that and I can provide – I'll
489 just check through my...
490
491 KB Thank you.
492
493 PY ... paperwork here something I've just recently been looking at.
494
495 [pause]
496
497 So to ahh to Councillor Pforr it's listed as \$1,000 gift and like in kind gift and \$10,000
498 monetary from Fish Development to ahh did I mention – we're just dealing with, with
499 ahh Councillor Pforr yeah. And to the Common Sense Trust \$10,000 it's just listed as
500 Fish Developments. No I was just confirming because Mr Fish owns a number of other
501 companies and I just wanted to make sure none of them had been the contributors rather
502 than Fish Developments.
503
504 KB So it's an aggregate of \$11,000 to Councillor Pforr's election campaign, \$10,000 and
505 another \$1,000?
506
507 PY That's correct. So \$11,000 to Councillor Pforr.
508
509 KB Yep
510
511 PY \$10,000 to the trust.
512

| | |
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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Inspector Ken Beml |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Theresa Hamilton |
| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

513 KB Yep
514
515 PY And then there were other monies to other candidates.
516
517 KB Like Brian Rowe for argument sake?
518
519 PY That's correct. \$24,000 for Mr Rowe.
520
521 KB Now this part here. John Fish owns significant parcels of land on Hope Island. That's
522 within Councillor's Pforr's Division. What Division is that?
523
524 PY Division 3
525
526 KB Under several company identities...
527
528 PY Mm mm
529
530 KB ...ahh Fish is a substantial potential beneficiary of any changes to the Hope Island local
531 area plan that pertains to development.
532
533 PY That's correct.
534
535 KB Subdivision?
536
537 PY Ahh subdivision and development generally yep.
538
539 KB Whereas current height limits are 3 storeys there is widespread public concern that
540 Council will increase that to 10 storeys.
541
542 PY That's correct.
543
544 KB Without implying any wrong doing on the part of Mr Fish there is great public concern
545 regarding the continued involvement of Councillor Pforr in matters related to the review
546 of the Hope Island LAP and obvious confidence on the part of Mr Fish and others as
547 evidenced by his marketing with some of the Hope Island properties with development
548 potential. Identified are a variety of higher density apartment buildings ranging from 6 to
549 10 storeys and residential densities of 40 dwellings per hectare.
550
551 PY Mm mm
552
553 KB Ahh the current limitations are 3 storeys and 25 dwellings per hectare so basically what
554 you're saying is those restrictions are being exceeded?
555

Complainant: Operation Grand
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Statement Of: Councillor Peter Young
Legal Officer: Theresa Hamilton
File Number: MI-05-2482
Directory : J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

556 PY Ahh
557
558 KB Well could you clarify those points at all?
559
560 PY The – the – okay the – Mr Fish has a number of companies that have property interests on
561 Hope Island.
562
563 KB Yes
564
565 PY One of those is Sickle (phonetic) Avenue Pty Ltd.
566
567 KB How do you spell that sorry?
568
569 PY Sickle Avenue that's S-I-C-K-
570
571 KB L-E?
572
573 PY L-E Sickle Avenue Pty Ltd.
574
575 KB Yes
576
577 PY Another one is Falcon Rest Pty Ltd. So it's Falcon
578
579 KB Rest
580
581 PY One word, Falconrest Pty Ltd. Another one is Rothmont Projects Pty Ltd. That's R-O-T-
582 H-M-O-N-T. Rothmont Projects Pty Ltd. Another one is Hope Island Projects Pty Ltd
583 and then there's Fish Developments and Fish Developments (Hope Island).
584
585 KB This is all under John Fish.
586
587 PY These are all his companies. Mr Fish is the ahh director of – and so this map ahh which
588 I'm quite happy to show you – provide a copy to you is umm all of those properties are in
589 fact owned by interests of Mr Fish. They're all on the central part of Hope Island and that
590 part of Hope Island is currently the subject of a review in terms of the local area planning
591 provisions. The umm ahh since the 2004 election there's been umm ahh a raising of the
592 priority you might say to change the local area plan for Hope Island.
593
594 KB To suit development.
595
596 PY Pardon me?
597
598 KB To suit development.
599

| | |
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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Inspector Ken Beml |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Theresa Hamilton |
| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

600 PY Ohh absolutely. To, to ahh encourage umm a greater deal of development as I've
601 indicated in my submission. Umm for example changing the density from 25 dwellings
602 per hectare up to 66. So it's a considerable increase in intensity and obviously umm umm
603 the values of properties has increased significantly and, and the development potential of
604 course and the profits.
605
606 KB And obviously there would be ostensible advantages to any development company at all
607 involved with those kind of activities there.
608
609 PY Yes I agree. And umm ahh so what I put in my submission is that there's nothing
610 necessarily unlawful about Mr Fish providing donations whatsoever to any candidate but
611 ahh there is a perception in the community about ahh the continued involvement of
612 Councillor Pforr in progressing these matters which will result in the umm increased
613 potential for development. Quite significantly you know from 3 storeys to 10 storeys and
614 as I said 25 dwellings to 66 per hectare. And umm Mr Fish has obviously been very
615 confident of the outcomes. He's placed advertisements in the newspapers umm at least –
616 well obviously before my submission ahh probably in June of this year advertising some
617 of his holdings and indicating umm that there will be increases to those development
618 densities so he's recognising and umm capitalising on those opportunities you might say.
619
620 KB Can you outline any action that Councillor Pforr actually undertook to advance any
621 development applications?
622
623 PY Umm
624
625 KB Concerning what you've been referring to.
626
627 PY Well there's two distinct things here. One is development applications and one is the
628 planning scheme or the local area plan. So the local area plan is a more detailed
629 component of the overall planning scheme for the city and it seeks to identify the
630 constraints and opportunities for development in various areas. In this case obviously
631 Hope Island.
632
633 KB Umm that's under the Integrated Planning Act?
634
635 PY It's a umm the planning scheme is constructed under the provisions of the Integrated
636 Planning Act. Umm it was introduced in 2003. It contains umm a number of local area
637 plans ahh probably in the order of about two dozen and then there is a umm an on-going
638 process of reviewing those local area plans. So where there's an identified need umm and
639 indeed the whole planning scheme is in a constant process of, of ahh umm amendment if
640 you like. So ahh since the 2004 election the, there's been moves to modify the LAP.
641 That would have come through the Strategic Growth Management Committee which
642 Councillor Pforr is a member of. He's been involved in the voting and discussion on
643 progressing ahh changes. There was umm quite – I wouldn't say a degree of urgency –

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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Inspector Ken Bemi |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Theresa Hamilton |
| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

644 but there seemed to be a, a considerable amount of energy and focus being placed on the
645 review of the Hope Island local area plan.
646
647 KB By?
648
649 PY Ahh by Councillors and by Officers.
650
651 KB Could you nominate those Councillors?
652
653 PY Well Councillor Pforr, by Councillor ahh Power. Umm and umm that resulted in ahh
654 what I would say is umm an elevation of its priority and, and considerable umm ahh
655 funds and efforts were directed towards reviewing that local area plan in a very quick
656 way.
657
658 KB Can...
659
660 PY [overtalking] Some of these LAP reviews will take years and this one is going through a
661 process very quickly.
662
663 KB Can I ask you how is it being expedited? Going through the committee very quickly?
664 Going before Council very quickly?
665
666 PY Well no the actual umm diversion of funds and, and umm ahh resources to the activities
667 so umm obviously when things get a higher priority ahh umm Officers are directed to
668 attend to those projects in, instead of others which may have been on their list or on their
669 work schedule already. Pardon me. So there's been a number of matters that have come
670 to the Committee about the review of the local area plan and they've come at pretty
671 quick, at a pretty quick rate. So that the turn over of the work effort in these ahh involved
672 in the progression of this review has been quite ahh quite considerable and noticeable.
673 Umm and so Council has made some decisions along the way yes we will progress this
674 and then there's been some sort of workshop and the results are relayed to Council and
675 we make a decision to go further with that. There's nothing wrong with the process as
676 such it's probably the speed of the process which is umm umm unusual and umm ahh the
677 outcomes of this exercise as I've are going to lead to a pretty significant increase in umm
678 development potential for that area.
679
680 KB When you made reference to funding being directed to this particular matter to help
681 expedite it can you be specific? What type of funding? Where would that come from?
682
683 PY Ohh that's – pardon me (sound of coughing) – umm just council you know rate payer
684 funds which are umm within the control of the Planning Environment and Transport
685 Directorate so the ahh they have a certain allocation for reviewing the planning scheme
686 and local area plan and components of it. Certain number of officers who are assigned to
687 those tasks and umm so there would have been a ahh I suggest a greater number of people

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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Inspector Ken Beml |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Theresa Hamilton |
| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

688 brought in to attend to that specific project – brought in from other directorates in fact to
689 expedite it – to raise its umm umm priority and ahh rate of progress.
690

691 KB So is the planning committee responsible for expediting it as such initially or?
692

693 PY Essentially yes that the regional – sorry the Strategic Growth Management Committee is
694 the committee that makes recommendations to the Council and the Council then itself of
695 course is the one that makes the decisions to divert those resources or to increase the, the
696 priority.
697

698 KB Can you outline the composition of that committee?
699

700 PY Umm I'll just ahh confirm, confer with my latest agenda from that committee. It's –
701 Councillor Power is the Chairman, Councillor Molhoek, Councillor Shepherd, Councillor
702 Saroff, myself, Councillor Pforr and Councillor Robbins.
703

704 KB And when any voting has been required...
705

706 PY Mmm
707

708 KB ...has there been quite distinct splits in the voting?
709

710 PY Not necessarily. As I said the process in itself it's been quite legitimate. That's not under
711 question. It's probably just the, the priority that's been assigned to this ahh whereas other
712 projects have sort of gone on the back burner umm and it's arguable whether or not this
713 area warrants you know that particular attention apart from the perception I suppose that
714 there's a strong lobby from those who have vested interests in that area to get things
715 moving along because they weren't happy with the provisions of the existing local area
716 plan which they considered to be too restrictive. Umm
717

718 KB That can amended by Council? The LAP?
719

720 PY Ohh absolutely and that's what we're doing now. So what we'd normally do in terms of
721 amending local area plans is in response to ahh some problem apparent to us through
722 umm through ahh community lobbying or ahh say for example in the area of Gavin the
723 community there have identified that they want their local area plan reviewed because it
724 provides for an un, unrealistic outcomes given the circumstances that prevail. So we've
725 as a Council determined yes we'll review that LAP over a time and we'll assign various
726 resources to it and progress the planning ultimately to come up with some documents that
727 we'll work with the community on to try and ahh formulate some sort of umm ahh
728 structural plan that everyone's to some extent happy with. Umm in other places we will –
729 the priority of an LAP will be raised because of ahh very apparent and pending pressures.
730 Maybe it's transportation issues. It may be some particular development that umm
731 triggers the need to ahh revisit the local area plan for an area umm so there's an example

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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Inspector Ken Beml |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Theresa Hamilton |
| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tpl of 3 06.09.05 |

732 of that. There might be umm the cruise ship terminal that the Government's promoting
733 that would encourage Council to very rapidly look at its local area planning for the Spit
734 and so forth and ahh consider all the impacts. With the Hope Island one umm there's
735 always been a lot of pressure from development interests ahh to umm ahh sort things out
736 there and achieve a planning guideline that ahh represents their interests and umm and in
737 the last 12 months or so that's been much more apparent.
738
739 KB So if I could ask you to summarise what action do you think that Councillor Pforr, just
740 Councillor Pforr has undertaken to advance these development applications. Bearing in
741 mind what you've just told me.
742
743 PY Okay sorry umm so he has ahh played an active part in supporting ahh the review of the
744 local area plan umm he has ahh in the meantime also played an active part in supporting
745 development applications on the Island some of which have been umm clearly ahh
746 involving considerable relaxations ie additional benefits and bonuses to the developers.
747 So we have the existing planning instrument, the local area plan for Hope Island, that as
748 you know restricts it to 25 dwellings per hectare for example 3 storeys. We've had a
749 number of applications come forward from the Officers recommending intensification of
750 that you know up to umm 4 storeys, 6 storeys and ahh Councillor Pforr has very actively
751 been supporting those umm objectives. Umm
752
753 KB But once again it has to go through the Committee...
754
755 PY That's correct.
756
757 KB ...to be voted on?
758
759 PY Yep. And there's been some considerable debate about a couple of those matters where
760 the, the extent of the relaxations or the departure from the existing planning scheme
761 provisions has been quite dramatic leading to umm I would suggest a great deal of
762 confidence in the likes of Mr Fish that ahh his proposals for similar sorts of things will,
763 will ahh get a Guernsey.
764
765 CH [ui] stop.
766
767 KB The time now is 1:58 pm. This interview is now suspended for the purpose of changing
768 the tape.
769
770 **TAPE ENDS**
771

AL/J/Misconduct/Op Grand/interviews/ Young, Peter Tp1 of 3 06.09.05

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|----------------|--|
| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Inspector Ken Beml |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Theresa Hamilton |
| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

COPY TAPE 2 OF 3 - RECORD OF INTERVIEW BETWEEN INSPECTOR KEN BEMI OF THE CRIME AND MISCONDUCT COMMISSION AND COUNCILLOR PETER YOUNG. HELD AT NERANG ON 6 SEPTEMBER 2005. ALSO PRESENT DETECTIVE SERGEANT CARLA NAUMANN.

LEGAL OFFICER: Theresa Hamilton

RE: Operation Grand

KB = Inspector Ken Bemi (CMC)

PY = Councillor Peter Young

CN = Detective Sergeant Carla Naumann (CMC)

1 CN Testing, testing.

2
3 KB The time now is 2:07 pm on the afternoon of Tuesday the 6th day of September 2005.
4 This is tape 2 of an interview being conducted with Councillor Peter Young. Prior to
5 changing the tape there Councillor Young I was referring to any specific motions or ahh
6 items that were voted on by members of the committee in relation to any development on
7 Hope Island. Were you able to locate any of the voting at all – in particular any divisions
8 that were present?
9

10 PY Ahh we need to be clear about a distinction here. One is the formulation or review of the
11 local area plan which is under the control of the Strategic Growth Management
12 Committee or it goes through that committee. The other are actual development
13 applications which normally would reflect whatever provisions the Strategic Plan has set
14 up. Umm so there's different membership on these two committees. So one example I'll
15 give you is of – ahh from the planning committee where a development application itself
16 has come forward which has been tested against the existing provisions of the Hope
17 Island local area plan umm and despite the umm differences that exist between the
18 existing provisions and what the development application was seeking the thing was
19 approved. Ahh that's a matter of umm dealt with at the City Planning Committee on the
20 7th June. It's ahh planning number is PN254731/12/DA3. It deals with ahh umm
21 community title scheme, detached dwellings, apartment buildings umm and it was ahh in
22 the ownership of a company called Azure Waters Resort Pty Ltd and umm what this
23 sought was umm an increase in the density and building height and so forth beyond what
24 the current planning scheme provides. So there was some considerable debate about the
25 merits of this proposal and ultimately it went to the vote. It was moved for adoption by
26 Councillor Pforr that we would accept this application. I'm just confirming that looking
27 at the Minutes. Moved Councillor Pforr and seconded Councillor Power and as there was
28 further debate and difference of opinion about the suitability of this ahh a couple of the
29 Councillors on the committee asked that their vote be recorded in the negative so at a
30 Committee there's no division as such so there's not normally any registration of those

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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
| Investigator: | Inspector Ken Bemi |
| Statement Of: | Councillor Peter Young |
| Legal Officer: | Theresa Hamilton |
| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05 |

31 who voted for or against an item but sometimes people will specifically ask and in fact so
32 Councillors Douglas and myself asked our vote be recorded in the negative.
33
34 KB Sorry that was for – on the Planning Committee?
35
36 PY That's for the Planning Committee and I'll just check quickly now for the full Council.
37
38 KB And it ended up getting put through though? The motion for the Planning Committee
39 that particular one you're referring to to the Council?
40
41 PY Yes. And umm Planning Committee the matter was dealt with – sorry at full Council the
42 matter was – each committee Chairperson in turn presents the Minutes of that committee.
43 Says Mr Mayor here's the Minutes, here's the resolutions if you like of that committee.
44 Umm sometimes all of those resolutions would just get voted on as a, as a block of items.
45 Umm sometimes individual Councillors will want to have various items dealt with
46 separately so they may say look let's deal with number Item 2 separately and discuss that
47 or someone may move a different outcome than what was resolved at the committee. So
48 on the 10th June the committee City Planning Minutes were presented and that particular
49 item was umm was ahh discussed separately. The committee recommendation was
50 moved by Councillor Shepherd and seconded by Councillor Pforr. Umm there was a
51 motion to ahh defer it and that's what happened. So now I'll have to check for the
52 Minutes of the following meeting.
53
54 KB Yep
55
56 PY 17th June and then Item is determined that they lay it on the table meaning not deal with it
57 at the full Council. So for some reason it was what they call laid on the table. Umm and
58 then meant to be dealt with at the next planning meeting. Just forgive me I'm just going
59 to check.
60
61 KB You're right.
62
63 [pause]
64
65 PY It would appear that the matter wasn't dealt with at the meeting of the 5th July.
66
67 KB Did it ever get through Council?
68
69 PY I don't know that it ever has or if it's just disappeared. It was quite contentious. Umm
70
71 KB Is there anything ...
72
73 PY [overtalking] But it seems very odd.
74

Complainant: Operation Grand
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Statement Of: Councillor Peter Young
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File Number: MI-05-2482
Directory : J:/Misconduct/Op Grand/interviews/Young, Peter Tp1 of 3 06.09.05

75 KB Yeah. Is there anything further you'd like to say about that matter involving Fish and
76 Councillor Pforr?
77

78 PY I suppose again I just need to reiterate that I know there's nothing wrong with any person
79 providing money to an election fund. Ahh but I do know that there's a grave concern in
80 the community that there's umm ahh benefits that might come to some people who've
81 made donations and in particular Hope Island is one of those areas that's received a lot of
82 attention from the community whereby Councillor Pforr seems to have a close
83 relationship with some of the development interests – in particular Mr Fish – ahh in a
84 public sense and umm there's been a lot of umm dissent in the community about umm
85 intensifying the development capabilities on the Island both from ahh amenity and
86 transportation and service provision aspects and others. Ahh Councillor Pforr has openly
87 rejected all of those – that dissent from the community and has seemingly sided himself
88 very strongly with the development interests and so ahh that's highlighted that concern in
89 the public's mind about ahh the potential of ahh influence to be brought to bear to benefit
90 those people. Now umm the evidence of that umm benefit isn't probably going to be in a
91 Council Agenda and umm Mr Needham again has ahh made it apparent that his
92 perception or his ahh interpretation of ahh conflict of interest doesn't mean – doesn't
93 cover someone getting funding from, for an election and then voting in favour of a
94 development item for example but only if by voting on that thing there's a possible
95 benefit in the future which seems to be an extraordinary, extraordinarily difficult thing to
96 prove. So umm again I suppose what I'm, what I was trying to articular to the Minister
97 was by themselves some of these things probably don't mean much but if, if there's a, a
98 broader canvass constructed which indicates the kind of relationships that can and do
99 exist between Councillors and people in development industry there's umm a high
100 likelihood in some cases of ahh of the public interest not being represented. Umm the
101 ahh but as we've, we've acknowledged in proving that is, is incredibly difficult.
102

103 KB Thank you. The next matter I'd like to refer to involves Item number 6 of your letter
104 Wescala/Ingles Group in relation to Councillor Power and the Common Sense Trust. We
105 have here the Ingles Group who own the property development company Wescala Pty Ltd
106 made a \$9,000 donation to Councillor Power's 2004 election campaign and a \$10,000
107 donation to the Common Sense Trust on the 17th March 2004 which of course was
108 leading up to the election.
109

110 PY Mm mm
111

112 KB Councillor Power entered into a contract for sale of his Coomera property with Wescala
113 Pty Ltd in May 2003. No declarations with regard to possible actual conflict of interests
114 were made.
115

116 PY Ahh yes I suppose what's missing there is the fact that Wescala made ahh I think only
117 one application for a development in the ahh period since the election.
118

| | |
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| Complainant: | Operation Grand |
| Subject(s): | Operation Grand |
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| Statement Of: | Councillor Peter Young |
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| File Number: | MI-05-2482 |
| Directory : | J:/Misconduct/Op Grand/interviews/Young, Peter Tpl of 3 06.09.05 |