



Transcript of Proceedings

CRIME AND MISCONDUCT COMMISSION

MR R NEEDHAM, Chairman

No 5 of 2005

PUBLIC HEARING INTO GOLD COAST
CITY COUNCIL

BRISBANE

..DATE 21/11/2005

..DAY 20

Continued from 17/11/2005

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THE HEARING RESUMED AT 10.02 A.M.

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CHAIRMAN: Yes, Mr Mulholland.

MR MULHOLLAND: Good morning, Mr Chairman. I call Craig Treasure.

MR P. NOLAN: I seek leave to appear for Mr Treasure, instructed by Gadens.

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CHAIRMAN: Yes, thank you, Mr Nolan.

MR NOLAN: Also for Mr Abedian who'll be next, for the next witness as well.

CHAIRMAN: As well, thank you.

MR MULHOLLAND: Just stand there for a moment, Mr Treasure.

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CRAIG GRANVILLE TREASURE, SWORN AND EXAMINED:

MR MULHOLLAND: Just sit down, please, Mr Treasure. Is your full name Craig Granville Treasure?-- Yes, it is.

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And do you appear here today under an attendance notice or summons issued by the Commission?-- Yes, I do.

Would you have a look at this document, please? Is that the attendance notice?-- Yes, it is, sir.

I tender that, Mr Chairman.

CHAIRMAN: It's Exhibit 260.

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ADMITTED AND MARKED "EXHIBIT 260"

MR MULHOLLAND: Did Sunland also receive a notice to discover?-- Yes, we did, sir.

And did Sunland, of which you are a director - is that right?-- That's correct.

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Did it respond by providing certain material to the - a written response to the Commission?-- Yes, we did.

Right. Would you have a look at this, please? First of all, is that the notice to discover?-- Yes, it is.

And in response was this statement of yours, together with the material that is attached to it, supplied?-- That's correct.

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I tender the notice, the statement of Mr Treasure, and the attached material, Mr Chairman.

CHAIRMAN: That will be Exhibit 261.

ADMITTED AND MARKED "EXHIBIT 261"

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MR MULHOLLAND: Now, do you have a copy of the statement and material that you supplied, Mr Treasure?-- Yes, I do.

Tell us, first of all please, in your statement you say you are a director of Sunland Group Limited and have authority on behalf of SGL, which is what you refer to the company as, to make the statement and how long have you been a director of Sunland?-- Approximately four years.

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How many directors are there?-- Six in total.

What are their names?-- Soheil Abedian, Saba Abedian, Gary Rothwell, John Lever, myself and Terry Jackman.

And what involvement do you have in the day-to-day operation of the company?-- Current role is Director of Property Assets, managing a number of our business units.

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All right. Now, one of the documents that you have attached to your statement is an undated invitation on behalf of Councillor Ted Shepherd to a function on the 12th of November. Do you have that document or a copy of it?-- Yes, I do, sir.

Whose handwriting is that on the invitation, that is, apart from the - apart from your name and address? Whose handwriting is that at the top of the document?-- I'm not sure whose noting is at the top. It's probably somebody in our admin area, I would suggest.

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Yes, well, you can't give us any idea?-- No - not definitive answer on whose writing that is.

When you were asked to supply or to respond to the notice to discover, did you ask anyone as to whose handwriting that was?-- No, we did not.

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We'll just see if we can make it out together. What appears there is \$2,000. What else do you see there?-- "CT to attend", so that's obviously a reference that I've been highlighted as the person. "Donation" - can't really read the next couple of words and then the bottom-----

Well, is there a date, 16/10?-- 16th of the 10th, the last part's cut off.

Right, yes. Well, is that likely to be '04, do you think?-- I would imagine it would be '03.

Sorry, '03. Sorry, '03?-- Yes.

Yes. "CT to attend. Donation." And then, below that, "how much from Sunland". Is that an abbreviation for Sunland?-- I - I wouldn't read it that way. I'm not sure what that's - what that says.

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It's surprising, Mr Treasure, that seeing that you were going to respond to the notice that you didn't ask someone within Sunland whether they were responsible for what appears at the top of the document?-- I think-----

MR NOLAN: I object to this extent. It hasn't even been established that that was written at a time when he saw it. That could have been written at any time afterwards. So how can he comment on something he may not even know about.

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CHAIRMAN: Well, he can tell us if it wasn't there at the time that he saw it.

MR NOLAN: Well, I suppose, if he wants to second guess he can but, I mean, I would have thought that it was more proper to establish that that was written at a time when he saw the document.

MR MULHOLLAND: The question is really related to your statement. One of the matters which you say are set out in the schedule and what the relevant documents are is the undated invitation on behalf of Councillor Ted Shepherd to a function on the 12th of November 2003. Now, this is that invitation, is it not?-- That's correct.

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And so you were responsible for sending this material into the Commission and this is one of the documents that you attach to your statement?-- That's correct.

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And in preparing this material for the Commission, you would have noted the handwriting at the top of the document?-- We did not note any particular reference to the handwriting on the top of the document.

Are you saying, Mr Treasure, that when you prepared your statement, attached this material, you did not note, for example, that there was \$2,000 referred to at the top of the document?-- The information in the statement is very clear about the donation in relation to this matter. We believed we provided all that was required.

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So you didn't even look at the document?-- We did look at the document and established that it was a document that related to information pertaining within the statement and attached it accordingly.

You could not look at this document, I suggest, without noting the handwriting at the top of it, could you?-- It did not appear of any great importance to us when we were compiling the information.

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All right. So all - the best you can do is that you think that it's someone within the administrative - administration section?-- That would be my answer, yes.

Tell us all you know, please, in relation to this invitation. What you say, in paragraph 6 of your statement, is this, and I'll read it before you answer the question. "In or about the end of October 2003 and on behalf of SGL, I accepted an invitation to attend a function organised on behalf of Councillor Ted Shepherd in connection with his campaign for re-election as a member of the Gold Coast City Council. The company chose to make a donation to the campaign in the sum of \$2,000. A cheque in that amount in favour of Ted Shepherd Campaign Account was drawn on the company's account with Westpac Banking Corporation Surfers Paradise dated 20th of October 2003." Now, that information that you have included there - you accepted the invitation and you say the company chose to make a donation to the campaign. Were the two of them related? The invitation and the donation I'm talking about?-- Yes, they were.

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In what way?-- We received the invitation and chose at that time to make the donation.

Yes, all right. Well, we see that the invitation refers to the date of this function as being Wednesday the 12th of November 2003 at 5.30 p.m. to 7.30 p.m. at Woodchoppers Inn, Mudgeeraba, and the donation \$40 to a person, and you say the decision was made to make a donation of \$2,000. Who made that decision?-- It would have been a combined decision of myself and Soheil Abedian.

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You say would have been. Do you mean it was?-- It was.

So the best you can do is, this was at the end of October?-- It was prior to the actual function so that would be correct.

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Yes. Well, the function was not until the 12th of November and the donation was made on the 20th of October?-- That's correct.

That is to say the cheque is dated the 20th of October?-- That's correct.

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So would it have been around about that time, just prior to that time that the decision was made to donate \$2,000?-- Yes, it would.

This was at a meeting of yourself and Mr Abedian, and what was the basis that you decided that you donate \$2,000?-- The company makes a variety of donations to a variety of political

and charitable causes. This was one of those that we decided to make.

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Right. Well, there must have been some discussion. What can you recall of the discussion?-- It would have been a very brief discussion between Soheil and myself to discuss the matter and agree to make the donation.

Anything discussed in relation to Mr Shepherd of why you would see fit to make a donation of \$2,000, in that magnitude, I mean?-- The discussion would have been making a donation. The amount we would have discussed as well and we would have considered that perfectly appropriate.

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Is there any other invitation, to your knowledge, that the company received or you personally received concerning the election on the 27th of March, or the campaign for the election on the 27th of March 2004?-- A similar invitation to this one.

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Any other invitation such as this one?-- I don't believe so, no.

Did you go to the function?-- No, I did not.

You said that you accepted an invitation. Did you later cancel?-- I think I had some other commitments. Somebody else from our office attended in my place.

All right. And the decision was made that this would be a donation as the cheque suggests to the Ted Shepherd campaign account?-- That's correct.

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That is a campaign for the 2004 elections?-- That's correct.

Was there any further discussion that you had apart from that discussion of which you made the decision that the company would donate the \$2,000? Was there any other discussion that you had in relation to that donation?-- No, there was not.

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Now, you go on to say that - this is in paragraph 7 - that "Following a discussion between the late Brian Ray and the joint managing director of SGL, Soheil Abedian, SGA - SGL agreed to make a general donation in favour of candidates standing for election in the forthcoming Gold Coast City Council. The cheque which was drawn in favour of Hickey Lawyers Trust Account as requested by Mr Ray was not in support of any particular candidate. SGL had no information about the identity of any candidate or candidates who might ultimately benefit from the general donation. The cheque in the sum of \$10,000 was drawn on the company's account with Westpac" et cetera. Now, this was a discussion between Mr Ray and Soheil Abedian. What knowledge do you have of that discussion?-- No direct knowledge whatsoever.

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So may we take it then that in order to prepare this statement you had spoken to Mr Abedian?-- I've spoken with Mr Abedian and also saw some paperwork that was within our office.

Yes. But in order to indicate that, that there was a discussion between Mr Ray and Mr Abedian, you - your primary source of information would have been Mr Abedian. Is that correct?-- One of the sources. The other would have been our administrative records which are part of the statement here.

There is a reference to a e-mail which is enclosed, attached to your statement. This is an e-mail from Brian Ray to Heidi Welsh. Heidi Welsh is with Sunland, is that correct?-- She was at that time.

And it's - the subject is GCCC Election Campaign. "Soheil, following our recent conversation re donation to the Gold Coast City Council election campaign would you mind now forwarding a cheque for \$10,000 to Hickey Lawyers Trust Account." And it's "Many thanks, Brian." So that is the communication that you were referring to a moment ago, is it?-- That's correct.

Are you able to say when that discussion occurred?-- No, I'm not.

You say you agreed to make a general donation in favour of candidates. What candidates are you speaking of?-- As it also says in that statement, we were unaware of the identity of who the candidates were that would benefit.

Right. Well, the - you say that you're unaware of the candidates who would benefit. I take it that you understood that this was not going to be a general donation in favour of all candidates, it was only some candidates. Would that be correct?-- We were not aware of whether it was to specific candidates or generally across all candidates.

Surely, Mr Treasure, that can't be true, that before you would make a donation in the amount of \$10,000 you would know whether it was going to all candidates or - sorry, to benefit all candidates at the election, or to benefit certain candidates. I'm not suggesting at this point that you may have known the identity of those candidates but I'm suggesting to you that you would have known whether it was going to all candidates or to certain candidates. What do you say to that?-- No, that's incorrect.

Right. Well, were you involved in that decision?-- No, I was not.

Did Mr Abedian consult you at all in relation to the decision to donate \$10,000?-- No, he did not.

Why do you think that Sunland did not know whether it be for - that this amount was going to go to all candidates or to some candidates?-- We were asked to make the donation as the email in the statement indicates by Brian Ray and we had confidence in Brian Ray requesting that it would be going to candidates that we would be happy to support so we were asked by a person who we had confidence in their decision to further the matter.

Right. So from your point of view this was your understanding that the - so far as where the money was going to go - how the money was going to be spent in relation to candidates - that decision would be made ultimately by Mr Ray alone, is that-----?-- No, that's not correct.

Well, you tell us, what is correct?-- We had confidence in Mr Ray being somebody who would further the matter. Whether it was him alone or with other people we had no knowledge of that.

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No knowledge?-- No knowledge at all.

You had no knowledge for example as to whether or not an incumbent Councillor, Mr Power, was involved?-- No knowledge.

Did you know Mr Power?-- I have known Mr Power for many years.

And did you have any conversation with Mr Power-----?-- No, I did not.

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-----in relation to this fund?-- No, I did not.

So the cheque was drawn in favour of Hickey Lawyers Trust Account. You say in your statement that that was requested by Mr Ray; is that correct?-- That's correct, sir.

Now, you don't refer there to the date of any such discussion and you've told us that you're relying upon information that you've received from others so far as this amount is concerned and also the document, the email that we've referred to. There is evidence before the Commission - and I'm referring, Mr Chairman, to an email from Mr Ray to Mr Morgan of the 19th of December 2003 - that as that date Mr Abedian had already confirmed his intention to contribute \$10,000 - that is, as at that time - by that time, by the 19th of December 2003, that decision had already made. Can you assist us in relation to that?-- I have no knowledge of that email.

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No, I'm not asking you about the email but can you assist us as to whether or not the decision to contribute \$10,000 had been made prior to the 19th of December?-- No, I cannot.

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All right. Well, whatever was going to be done with the \$10,000 that was being donated the - that decision would be made by Mr Ray, if he wanted to involve others that was a matter for him?-- That's correct.

The way in which you've answered that question suggests - and the way in which you've answered other questions on the same point, Mr Treasure, suggests that you knew from something said to you that Mr Ray was going to involve others?-- We had no knowledge of who was involved in that process.

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Yes. I want to ask you about this - before I do, did your knowledge in relation to what was to be done with this \$10,000

alter in the lead-up to the March 2004 election?-- No, it did not.

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Did you become aware at any stage in the lead-up to the 2004 election that the \$10,000 was part of a larger fund that was going to be used for selected candidates?-- The only knowledge that we had was what we'd gained from the media as various speculation about those matters mounted. Both before and after the election.

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Only from the media?-- That's correct.

So did you know anything for example of a campaign being organised by Mr Ray together with others to obtain donations from developers including Sunland in order to win various divisions so that the people who would be elected would be likeminded and they'd be people that the developers could negotiate with; anything like that ever come to your attention apart from what you read in the newspapers?-- There's several questions in that - that statement.

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Righto. We'll deal with the questions that you believe to be in them one by one. I'm asking you whether you knew, in the lead-up to the 2004 election, that your company Sunland was one of a number of developers which Mr Ray had organised a fund from so as to benefit certain candidates?-- Can I-----

That's the first. Did you know that?-- We knew that Mr Ray was organising to raise funds full stop. We were not aware of for which candidates and we saw this method of fundraising as a convenient way for a company to make a single donation rather than make donations to a number of candidates. As far as us knowing that it was for a certain group of candidates to get elected that's incorrect.

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Well, a certain group - I'm not suggesting to you that you would have known necessarily the names of the candidates concerned - but I'm asking you whether or not you knew that the fund that was being put together was to benefit some candidates?-- Obviously it was going to benefit some candidates, yes.

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And even though you may not have known the process by which it occurred did you know that it was selected candidates - that is, candidates selected by someone?-- We would have assumed that it was candidates who were appropriate to be members of the governance of the Gold Coast City Council.

And those candidates would be likeminded?-- Not necessarily.

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Not necessarily?-- No.

You didn't want likeminded candidates that might be - might be more prepared to listen to concerns of developers?-- Mr Mulholland, I think - Sunland like a lot of other businesses make political donations not to try and achieve any manipulated outcome, we make donations because we're asked to

and we make donations because we're concerned about the future of the city.

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But there'd be some candidates who at any particular election may not be perceived as being receptive to the sort of issues that developers are concerned with?-- A large part of the business of Council is development and we were concerned that we had a Council that was functional and planning well for the future of the city.

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And were you concerned at the time that you were making decisions in relation to funding about how the existing Council was performing?-- Yes, we were.

So may we take it that you're saying that Sunland wasn't happy with how the existing Council was performing?-- Not so much that we weren't happy but we were concerned about things like infrastructure planning for the future of the city, traffic planning for the future of the city, the rejuvenation of Surfers Paradise for the future of the city, all of those things that are critical to our city are items of concern that we had.

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And would you also have been concerned with the difficulty in getting predictable outcomes from the existing Council?-- No, we wouldn't have been.

So you weren't at all concerned with that as you recall?-- We had worked with the Gold Coast City Council over a long period of time.

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Did you know of what had been - of the campaign which had been mounted in relation to the Tweed Shire Council election?-- Only from what was published in newspapers.

Did you see what was - what you were being asked to donate to as being part of a fund that was going to be used in a similar way to what was used in the Tweed elections?-- No, we did not.

Mr Treasure, I want to draw your attention to - Mr Ray, I suppose you knew quite well?-- No, I did not.

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Did you know him at all - did you meet him?-- I think on one or two occasions only.

Well, did you know that Mr Abedian knew him?-- Yes, I did.

Knew him well?-- I wouldn't say well, but he knew him.

You had met Mr Ray?-- I had on one or two occasions at a function.

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What, in the company of Mr Abedian?-- I don't think so.

I want to ask you about a description by Mr Ray of this campaign and I'm asking you this because Mr Ray was the person who was responsible for Sunland making this contribution on what you've said. I'm referring, Mr Chairman, to Exhibit 89,

an email of Tuesday, the 2nd of March 2004. Now, just listen to this description, Mr Treasure. He's writing to a business colleague and he says this, "I promise to confirm details of the arrangements major developers are putting together in an attempt to get a coherent Council for the Gold Coast especially with the disparate nature of members of the Council over the last three years or so which has caused difficulty in getting a predictable outcome from the elected body. We have joined" - this is Mr Ray speaking - "We have joined with major national and Queensland developers which include Stockland, Sunland, Mirvac, Property Solutions, Raptis, Nikon and many others to put together a fund to mound a campaign to win various wards for a caucus of likeminded members with whom we can negotiation in a similar way to the outcome achieved in the last Tweed Shire election. Each participant is donating \$10,000 which goes to Hickeys Lawyers Trust Account and is then authorised for expenditure by David Power and Sue Robbins the chairman of the two planning committees from the existing Gold Coast City Council." And it goes on to add, "I'd be grateful if one of the Macquarie enterprises" - this is being addressed to Mr Moss - "would contribute \$10,000 to join with us all as you have significant business interests in the Gold Coast area which will certainly benefit from a better structured local authority." Now, this is the way in which the arrangements behind the campaign fund were summarised by Mr Ray at that time, this is early March. Now, that description - according to Mr Ray these developers of which Sunland was one had agreed to put together a fund to mount a campaign to win various wards for a caucus of likeminded candidates. Did you know that that was the arrangement so far as your company was concerned?-- No, we did not.

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Does that come as complete news to you?-- We've subsequently read extensively about that matter in the press.

And that it was done so that we - that is, the developers - can negotiation in a similar way to the outcome achieved in the last Tweed Shire election. Did you know that?-- No, we did not.

40

Again, you say whatever knowledge you have of that was learned after this?-- That's correct.

Did you know that the expenditure from the fund was being authorised by David Power and Sue Robbins?-- No, we did not.

You left all that to Mr Ray to determine?-- Once we made the donation we had no further involvement.

Now, do you remember that - Sunland being invited to a function at Lakelands Golf Club on Wednesday the 10th of March 2004?-- I have no recollection of that.

50

Are you aware of what I'm speaking about? Are you aware of evidence at this Commission in relation to this matter?-- No.

What I'm - what appears to have been the case is that there was a function that was organised, although it didn't - or was

intended to go ahead on Wednesday the 10th of March 2004 at Lakelands Golf Club and there are e-mails suggesting that Sunland was one of those people who were - would be invited?-- I'm not aware of any such function. I've never seen any such invitation. Who within Sunland Group were the e-mails directed to?

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I'm not saying that they were directed to someone, I'm saying e-mails referred to this function and mention that Sunland would be invited and there is a telephone number of Sunland and also Mr Abedian's name appears. The number is 55920042. Do you recognise that number?-- I recognise that number, it's our office, but it's publicly available, it's-----

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Well, I can assure you that there are these e-mails which suggest that there was going to be such a function at Lakelands Golf Club. You say you know nothing about it?-- Absolutely nothing.

This was that various contributors including, that is, Sunland who, by this time, had contributed were going to be at the function and would be briefed on the campaign. You know nothing of that?-- Absolutely nothing.

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Do you know a Mr Barden?-- No, I do not.

Mr Lionel Barden?-- No, I do not.

Never heard of him?-- Only in the press.

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Do you know of Mr Barden's innovation Showcase at the old terminal at Coolangatta?-- Only again what I've read about in the press.

So you've never met him and you have no knowledge of Mr Barden apart from what you've read in the press?-- That's correct.

Would it therefore surprise you to learn that in Mr Barden's return, that is a third party return, which was lodged by him in July of 2004, this is in relation to amounts received in connection with expenditure for a political purpose during the disclosure period relating to the local government elections, there's a third party return by Mr Barden and included in it is an amount received from the Ray Group on the 15th of - sorry, an amount received from the Sunland Group on the 28th of January 2004 of \$10,000? This Mr Barden has declared that amount and you say that you know nothing about Mr Barden apart from what you've read in the papers?-- We have no knowledge of Mr Barden. The \$10,000 is obviously the same as the other donation that you've already talked through.

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So the fact that this money might have gone into an account which at one stage was - which at one stage Mr Barden had something to do with is not something within your knowledge?-- That's correct.

And you're quite sure that in connection with the \$10,000 that there was no mention by anyone of Councillor Power's name or Councillor Robbins' name?-- That's correct.

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Now, your statement goes on to refer to - this is in paragraphs 8 and 9 - to other donations made in the course of the campaign. You say, "On the 27th of May 2004 cheques were drawn on the company's account with Westpac Banking Corporation as follows: (a) Max Christmas campaign fund in the sum of \$3,000; and (b), Gary Baildon campaign fund in the sum of \$18,000." Take the first one, the donation to Mr Christmas's campaign fund. What involvement did you have in regard to that decision?-- None whatsoever.

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So the only information that you've got in relation to this comes from the evidence that cheques were made out?-- Both the cheques were made out and there's also an internal e-mail.

Yes?-- Outlining the circumstances of both those donations.

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Yes. Well, the circumstances that you're referring to are contained in an e-mail from Heidi Welsh of Sunland to Pauline Drewson, also of Sunland. Is that right?-- That's correct.

So this is an internal e-mail of the 27th of May 2004 and it says, "Soheil has asked for the following two cheques please," and those are the two cheques. Is that correct?-- That's correct.

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So that's the only knowledge that you have?-- That's correct.

You haven't spoken to Mr Abedian about it?-- I have spoken to him about it and he said he had a brief meeting with both those parties and I'm sure you'll be raising that with him later today.

Right. When did he tell you this, Mr Treasure?-- In preparation of this material.

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All right. And likewise in relation to the other cheque, the campaign fund - sorry, Gary Baildon's campaign fund in the amount of \$18,000, the same goes, does it? You have no knowledge?-- That's correct.

In relation to that. So you've got no knowledge as to why Mr Christmas received 3,000, Gary Baildon received \$18,000 and Ted Shepherd had received 2,000?-- No, I don't. Sorry, in relation to the last one that was a matter that Soheil and I had discussed as we went through earlier. So to the first two I have no knowledge, the third one was a discussion I was involved in.

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The third one being the \$2,000?-- Correct.

Now, there was a further donation made by someone of \$7,700 in November of 2004, is that so?-- That's correct.

Were you aware that from June onwards there were increasing efforts made to obtain donations to meet up the shortfall in the funding concerning the election campaign?-- No, we were not.

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And that Sunland was one of the companies from whom a donation was sought at this stage?-- Prior to us receiving a - a request for further donations, we had no knowledge that they were seeking further funds.

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Yes. The Commission has heard evidence from Mr Hickey. Do you know Mr Hickey?-- Yes, I do.

And how well do you know Mr Hickey?-- I've known Mr Hickey for probably 10 or 12 years. He has done a lot of legal work at various times for Sunland Group.

Yes? Well, now, do you remember Mr Hickey speaking to you in relation to moneys owing to Quadrant?-- Yes, I do.

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Now, did you know Quadrant - know of Quadrant?-- I knew of Quadrant.

Did you know that Quadrant was - or had provided advertising marketing type services in connection with the Gold Coast City Council campaign?-- By that stage that had been widely reported.

All right. And you would have known by this time that Mr Power had been involved?-- That's correct.

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Had you ever spoken to Mr Power about it?-- Mr Power came to a meeting at Sunland's office and I was called into the - to that meeting by Soheil, and at the very end of that meeting he raised with us that there was funds owing to Quadrant and would we be prepared to contribute towards those, and Soheil indicated that yes, we would be prepared to.

When was this meeting at - this is at Sunland?-- That's correct. I don't have a date on the meeting. It's not in my diary. I was called into the meeting on an ad hoc basis.

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Yes. Who was present at the meeting?-- Soheil Abedian and myself and David Power.

Well, you have spoken in your statement of receiving a request from Tony Hickey some time in October. Would this meeting have occurred in October?-- Unsure. It would have been prior to us receiving the actual request from Tony Hickey.

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The first you knew of that meeting was when you were called into it?-- That's correct.

By Mr Abedian?-- That's correct.

And the three of you were present?-- That's correct.

Right. How long did the meeting last?-- Oh, I was probably only in the meeting for 10 minutes.

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And just tell us everything that you can recall of the meeting?-- The meeting was specifically to discuss proposed development of the some of the canefield area at Jacobs Well. It was within David Power's area. It was a very general discussion how other developers seemed to be taking an aggressive position on property purchases in the canefield area and what Council's view was in relation to development of that land, the viewpoint given that it was unlikely that the land would be developed and that Council's viewpoint would not change from what it had been for the previous 10 years.

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Right. Well, what, Sunland wanted to put its point of view, did it, in regard to the development?-- No, we were - we were extremely interested in - a lot of other developers were taking positions on property in that area and we could not understand why they were doing that.

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Well, couldn't understand why they were doing that; were you interested?-- Potentially we would have been interested. We're interested in all development opportunities.

So it was a conversation about development opportunities, in general terms, in that area?-- It was a - it was a conversation about Council's position in relation to a specific matter.

Yes? And in the course of the conversation, was there some discussion about Quadrant?-- The issue of Quadrant remaining with unpaid fees was raised essentially right at the end of the meeting in a very informal manner.

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Yes? A very informal manner by Mr Power. What did he say?-- Something to the effect of, "By the way, there are unpaid fees still incurred by Quadrant. Would Sunland be prepared to contribute towards those."

Now, did you speak to Mr Hickey in relation to this matter before or after this meeting?-- Some time after, I believe.

40

Did you know that you would be spoke to by Mr Hickey as a result of this meeting?-- No, I did not.

Well, what - what did you and/or Mr Abedian say in response to what Mr Power said?-- We indicated that we would be prepared to make a further contribution.

And was there any discussion in relation to how that contribution would be made?-- No, there wasn't.

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It was going to be, what, a donation, was it?-- A further donation. There was no discussion as to how, when or where.

How much?-- No.

Was any mention of how much was owed to Quadrant

mentioned?-- No, there was not.

1

Is this referred to in your statement?-- No, it's not.

Why isn't it in your statement?-- When we compiled the statement we went through all of our records and documented the events that we thought covered all of the particulars that were required.

Yes. Well, this meeting, when did you first think of this meeting?-- In preparation for this hearing.

10

Did you go to any record?-- It was really a discussion between our legal representatives and Soheil and myself going through the events that made us realise that there had been a meeting prior to Tony Hickey contacting us. When we prepared the statement, my recollection was that the first chain in the events was the telephone call from Tony Hickey.

So when was it that you were - you had this come to mind that there was such a meeting, how long ago?-- In the last three or four weeks while we were preparing for this hearing.

20

Yes. Now-----

CHAIRMAN: Did you immediately know what Mr Power was referring to when he said there was money outstanding to Quadrant or did he explain it in some way as to what this money outstanding was?-- He - he didn't explain it. It was a very casual comment at the end of a meeting. We indicated we would lend support. We probably left the meeting in such a manner that there was no opportunity for him to raise further with us as to how, when or why and we probably would have - would have preferred had we not heard from anybody but subsequently we did. So there was no more details provided.

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MR MULHOLLAND: Are you saying that you weren't, by any means, anxious to make a further donation?-- That's probably correct, yes.

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Right. The election - and this is what I was going to say to you - the election of course had - was some seven or eight months previous so we're talking about a long time after the election, you being called upon to make up some shortfall. They're my words but that's what it comes down to, doesn't it?-- To make a further donation.

Because there were moneys still outstanding-----?-- That's correct.

50

-----so far as Quadrant were concerned. So there must have been some conversation between yourself and Mr Abedian at the end of the meeting about this being dropped on you in this way?-- I think we didn't discuss the matter until Tony Hickey's phone call.

Right. So would you characterise the response of yourself and Mr Abedian to the suggestion you make another donation as lukewarm?-- That's probably appropriate.

1

All right. Well now, you are aware of a conversation that Mr Hickey says he had with you and the circumstances in which he says he had it. You've been taken through this, I take it?-- I'm aware of my recollection of that phone call.

Well, yes, but you would have referred to evidence given by Mr Hickey at this hearing or aren't you aware of that?-- I am aware of it but, to be perfectly honest, there's so much information there, it's hard to even read it all.

10

Right, okay. Well, we'll see if you've read this. This is the context in which Mr Hickey says that he had a conversation with you. He said that Brian - that is Brian Ray - had contacted him and said that Quadrant were still owed money and were putting pressure on him to be paid and Brian Ray was wanting to know whether Sunland had contributed further money - this is at 661 of the record. He wanted to know whether Sunland had contributed further money and Mr Hickey said, "No. Mr Ray said that David Power had had a discussion with Soheil Abedian and Soheil Abedian had said that he would assist Quadrant by finalising the fees that were outstanding to them." Now, is that the reference which caused you to remember that there had been a meeting?-- No, it's not.

20

It's not?-- No.

30

So he said that David Power had had a discussion with Soheil Abedian and Soheil Abedian had said he would, "assist Quadrant by finalising the fees that were outstanding to them." At the meeting that you attended, did Mr Abedian indicate that he would assist Quadrant by finalising the fees?-- The meeting with David Power, Soheil indicated that we would consider making a further donation towards the outstanding amount.

Right. So it was put on that qualified basis?-- That's correct.

40

And did Mr Power say anything to that?-- There was no opportunity for any further discussion. It was - at the end of the meeting, I think, when the three of us were walking out of the door of the boardroom towards the lift.

All right. Well, Mr Hickey goes on to say that Mr Ray asked him if he would talk to Soheil. And he indicated to Mr Ray that he was not in a position to do that but that he had some business to talk to with you and he said - that is, Mr Hickey said - that he would raise it. Now, that's the context. Mr Hickey then says this - and I want your comment on his recollection of this conversation. He says that during a discussion with you, he said, "I understand that Soheil has said he's going to fix up the outstanding moneys owed to Quadrant." Do you remember him saying something like that to you?-- Something to that effect, yes.

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A telephone call?-- Telephone call, that's correct.

1

Yes. And so there wasn't a meeting, it was just a telephone call?-- That's correct.

And you said, "Yeah, that's fine. Just tell them to send through an invoice." Did you say that to him?-- No, I disagree with that statement.

Well, what did you say?-- My recollection of the phone call with Tony Hickey is we discussed that there was a discussion between Soheil and David Power where Soheil had agreed to contribute towards the shortfall. We discussed that they were seeking an amount of \$7,000 - also discussed that it would need to be paid to Quadrant as at that stage the trust fund that he'd been operating could - it could no longer be paid to that trust fund. What I said to Mr Hickey was that someone should send us an invoice or some paper work.

10

Right. Now you're looking at something. What are you looking at?-- My statement and my notes.

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Your statement and your notes?-- Yes, correct.

What part of your statement are you looking at?-- the part which talks about Group D, Items 10 to 15.

And your notes - what notes are these?-- My scribbled notes about various of these events.

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Well when did you make these notes?-- Over the last three to four weeks.

And may I see them please?-- Sure.

Pardon me? Yes, well I won't hold these up but I'd like you to leave this with the Commission so that a copy can be made of it. Do you have another copy of this?-- No, I don't.

All right. The - I'll pass it back to you in a moment - but what your notes that you've made for the purposes of your evidence here suggest is that Tony Hickey rang you and advised that "Soheil and" - that's Soheil Abedian - "and David Power have discussed and he believes we have agreed to contribute to the shortfall. Discussed amount being \$7,000 and that the trust fund was closed and that we would need to pay to Quadrant. Discussed how they were owed these for work done on the campaign and there was no money left to pay them. I advised that we had agreed and for them to have someone send us an invoice or some paperwork. Quadrant telephoned and we advised the same. I do not recall who rang. I believe it was Tony Scott. Invoice was sent to us. Discussed with Soheil Abedian and paid. Initial note on authorisation. Subsequent note on what, for, when. Administration or Accounts asked." What's that last bit about?-- There are notations on -----

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On the invoice?-- Notations on the Quadrant invoice.

Right. Well, we'll come to that shortly. So you're - I take it that these notes of yours have been prepared after careful consideration of what you can recall of the discussion with Mr Hickey?-- Prepared on my recollections, not careful consideration of them, is how I recall the conversation.

1

Well you would have considered what Mr Hickey says?-- Not in any detail, no.

Well your recollection - indeed it appears to be your clear recollection - that Mr Hickey mentioned to you David Power in connection with this request - that there had been a discussion?-- That's correct.

10

Yes. Now, you also knew from this discussion that there were outstanding moneys owed to Quadrant and you were being asked to donate an amount which was equal to that amount outstanding; is that correct?-- Yes, it is. Sorry, we were being asked to make a contribution toward that. Our understanding is that there were other developers who were also making a contribution.

20

Well did you know who they were?-- No, we did not.

Yes. Now tell us all that you can recall in relation to the invoice. Mr Hickey's recollection which I've put to you is that you said, "That's fine. Just tell them to send through an invoice." What do you say was said in relation to an invoice?-- I believe I said to Mr Hickey, "Tell them to send us some paperwork or an invoice." We have - let me expand on that a little bit - we have a policy where no cheque is issue within Sunland Group unless there's a paperwork audit trail for it to be issued on. And you'll note by the other documents included in the statement that each payment has a paperwork trail accompanying that.

30

Such as a cheque?-- No, if you refer to the others ones there is either an - where there was no paperwork a paperwork trail was created by an internal email or an external email or an invitation - some form of paperwork. We cannot issue any payments without a suitable paperwork trail.

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Right. Well, apart from the invoice itself, what paperwork trail exists in relation to the invoice from Quadrant?-- None. We would have been just as happy to receive an email like Brian Ray's original email for the \$10,000. So we would have been happy with an invoice. We would have been happy with an email. As long as we had a paperwork trail to issue that payment on.

50

Well, when you say you need a paperwork trail, if you were to rely upon an invoice such as you had on this occasion then you'd certainly inspect the invoice, wouldn't you, before making the payment?-- That's correct.

Otherwise there's no point in having an invoice, is there, if you're not going to inspect it?-- We received the invoice prior to making payment.

Now you say that shortly after this conversation with Mr Hickey you were contacted by someone and you've said in your notes, and I take I that this is the recollection that you have that this was Mr Scott - so he contacted you as well about the matter?-- Someone from Quadrant rang us - a very similar telephone conversation to that with Tony Hickey - as to, "We believe you've agreed to contribute a further amount. What do we need to send you." We made the same statement. That was the extent of the conversation.

10

The pressure has come - sorry?-- At the time I think I was talking on a mobile phone perhaps sitting in a meeting, it was one of those conversations that happen very quickly.

So the pressure in relation to this is coming from a number of sources, Mr Power, Mr Hickey and Quadrant, you believe Mr Scott, all in relation to the same matter?-- I don't believe it was pressure. I believe they were just trying to finalise an outstanding matter.

20

I thought that you have agreed that you were lukewarm about it?-- We'd given a commitment that we would make a further contribution, it's fair to say we probably weren't overjoyed about it.

Yes. All right. Well, you eventually did receive an invoice.

MR NOLAN: Excuse me, could I ask what's happening with those notes?

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MR MULHOLLAND: I'll tender-----

MR NOLAN: And secondly if they've going to be tendered what's the basis on which they're being tendered? They were notes the witness had that he prepared himself for this litigation. Just - I want a basis for it.

CHAIRMAN: Why do we need some basis, Mr Nolan?

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MR NOLAN: Well, are you going to shake me down next, are you going to take everything I've got? That's what I want to know. Just what do I tell people to walk in here with?

CHAIRMAN: You can tell them to walk in with whatever you want, Mr Nolan.

MR NOLAN: Okay. My point simply-----

CHAIRMAN: -----but those - Counsel assisting - are you tendering those notes?

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MR MULHOLLAND: Yes, I'm tendering them, Mr Chairman.

MR NOLAN: All right. My submission is they're not admissible. They're notes that the witness prepared. If you're going to rule they're admissible do so but my submission is they're not.

CHAIRMAN: Those documents will be Exhibit 262.

ADMITTED AND MARKED "EXHIBIT 262"

MR NOLAN: And also the witness is entitled to keep them I would have thought. I mean, unless you want to take everything else he's got. He brought them here to assist with his evidence, he's entitled in my submission to keep them.

10

CHAIRMAN: They will be marked and then given back to the witness so he can use them while he's giving his evidence, Mr Nolan.

MR MULHOLLAND: Can I ask you to have a look at Exhibit 89 please, Mr Chairman. This is an email from Sue Davies, who's the PA of Mr Ray, sent to Tony Scott, of Friday, the 29th of October. Subject Gold Coast elections. "Hi Tony, Tony Hickey spoke with Craig Treasure at Sunland. Craig requests you raise an invoice" - it's and but obviously an - "invoice for the \$7,000 plus or minus, plus GST for general marketing advice or similar and he will forward a cheque straightaway." Now, the - this is an email which has occurred or been sent after Tony Hickey has relayed this information, you see, to Mr Ray and his PA is sending this email referring to the conversation he's obviously been told that Tony Hickey has had with you. What I'm putting to you - and why I'm drawing your attention to this - is that it's done within a reasonably short period of time from the conversation that you had had with Mr Hickey and it suggests that in the conversation that you had requested that Quadrant raise an invoice for \$7,000 plus or minus plus GST for general marketing advice or similar and he will forward a cheque straightaway. Being reminded of that, Mr Treasure, are you quite sure that you did not indicate to Mr Hickey that the invoice that you were seeking was an invoice for general marketing advice or similar?-- Absolutely sure.

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You wanted paperwork, some paperwork-----?-- Paperwork or an invoice.

Paperwork or an invoice?-- That's correct.

Well, did you indicate what the paperwork would be?-- No, we did not.

50

Well, what would the invoice - what could the invoice possibly be? An invoice from Quadrant to Sunland, what, donation, \$7,700? What do you mean an invoice? What possible invoice could you receive from Sunland in relation to this amount of money?

CHAIRMAN: From Quadrant.

MR MULHOLLAND: From Quadrant in relation to this amount of money?-- As we've outlined earlier we'd agreed to contribute towards a shortfall in their fees that they were owed and as such we wanted paperwork or an invoice to be able to make that transaction. As I've outlined we can't make any payments unless we have a paperwork trail.

1

Listen to my question, what kind of invoice were you envisaging?-- The invoice that we've received.

10

So you're envisaging that you would receive an invoice such as the one that you did receive?-- That or similar.

That or similar. Well, that's what this email you see says, "Craig requests you raise an invoice for \$7,000 plus or minus plus GST for general marketing advice or similar." Now, you say that what you were envisaging was what is contained in the invoice that you did receive or similar - that is, precisely what this email suggests that you had told Mr Hickey?-- I have not requested for a specific purpose as is outlined in that email and I think what's relevant is that I don't know Sue Davies, I've never met Sue Davies and I wouldn't know her if she was in this room and I've never seen the email.

20

Well, that's neither here nor there. I'm asking you about the contents of the conversation that the email refers to and you certainly know about that and you have confirmed I suggest Mr Treasure - you have confirmed that the - by what you have said - that you were expecting to receive the invoice which you did receive in the form and content of that invoice?-- We were expecting to receive an invoice for that amount of money from Quadrant, for what purpose written on the invoice was not relevant.

30

Was not relevant. How can you say that was not relevant?-- We agreed to make a further donation. We requested paperwork. We received paperwork and we paid it accordingly.

Have you got a copy of the invoice there?-- Yes, I do.

40

Let's look at it; Exhibit 146. It's also part of this present exhibit. The invoice from Quadrant is headed "Tax Invoice Client Sunland Group Limited." Was Sunland Group Limited a client of Quadrant?-- Not in relation to this matter.

Well, that's what the invoice says. In relation to the particular matter we're talking about, it's suggested Sunland was a client of Quadrant. You say it wasn't?-- That's correct. Sunland was not a client of Quadrant.

50

It has "invoice number 0491, date 1.11.04", and Sunland's address is given. Is that the address where Sunland operated at that time?-- I believe so, yes.

"Attention Craig Treasure". When did you receive this, by the way? It's dated the 1st of the 11th and there's a date on it. When did you receive it, do you think?-- I'd suggest some time

between the issue date of the 1st of the 11th and my notation of the 5th of the 11th.

1

Right. That notation that you're referring to, all of that handwriting at the foot of the document is yours, is it?-- That's correct.

Just read what you have written?-- "Discussed SA. Okay to pay CT" and the date.

10

Right. "5th of the 11th 04"?-- That's correct.

And alongside is "Donation in kind"?-- That's correct.

Also with your initials?-- That's correct.

What's that relate to?-- Somebody either in our accounts department or our admin department has probably asked me to nominate on here what - what this invoice is for, and that's where I've made the subsequent notation.

20

I suppose when you got that query from the accounts it wouldn't have come as any surprise to you wanting to know what-----?-- I don't recall who it was from; whether it was accounts or admin. May well have been from my PA where I've given her a pile of paperwork and said, "We have to process these accounts."

Well, "Donation in kind", is that something that was written there by you prior to the 5th of the 11th as well, or after?-- After.

30

Can you say when you wrote that there?-- I'd say within a couple of days of the first notation.

You'd received a query?-- Yes.

Now, if we read on in this tax invoice it says, "Marketing recommendations." "Marketing recommendations." Well, had Quadrant performed any marketing recommendations for Sunland?-- No, they had not.

40

So when you received this invoice, you knew that it was false?-- It's not a false invoice. It's payment of an account for a third party, which is not an unusual business transaction.

It is not false. It is payment of an amount to a third party?-- That's correct.

50

An account to a third party. Who's the third party?-- We had agreed in this instance-----

Sorry, who is the third party?-- The third party is Quadrant.

Third party. Well, there are only two parties to this; Sunland and Quadrant?-- It's a third party in the series of events that you've been taking me through.

Well, who's the other party?-- The other party is the fund or candidates that receive services from both the money that was contributed and the work that quadrant had done for them.

So you knew at the time that you received this invoice from Quadrant that what you were being asked to contribute to was work done by Quadrant for candidates in the elections of March 2004. You knew that?-- It had been widely published in the papers by that point in time, yes.

10

So are you agreeing to my question that you knew that?-- Correct.

Right. Well, then my suggestion to you is that this is false. I suggest it is false for the simple reason that you were not a client of Quadrant as this invoice suggests. That Quadrant had not done any marketing recommendations for you in connection with this matter, and had not incurred \$7,000 for work performed for Sunland. Now, do you understand the ways in which I am suggesting that this document is false?-- I disagree with that.

20

You disagree with it?-- Yes, I do.

What do you disagree with and why do you disagree with it?-- I disagree with your terminology that it's false. We requested paperwork from Quadrant, or an invoice. We received an invoice. We knew what purpose that invoice was for. It was payment of outstanding fees for services that they had provided, and as we'd agreed earlier, we made a payment on that. We did not claim that Quadrant did any work for us at any point in time.

30

Mr Treasure, you are obviously an experienced person in business. First of all, you have agreed with me that your company was not a Quadrant client in connection with this matter. It is therefore false in that respect, isn't it?-- I disagree with that.

40

Well, what do you disagree with?-- We're entitled to make a payment to a third party by agreement. That's not an unusual business occurrence.

So marketing recommendations - it wasn't performing any marketing recommendations for you?-- We have not alleged that they were.

Well, it's false then?-- I disagree with that statement.

50

You disagree with it?-- Yes, I do.

Why do you disagree with it? Because-----

MR NOLAN: I object. He's answered this at least three times. This is repetitious questioning and, in my submission, completely irrelevant.

MR MULHOLLAND: Mr Chairman, the suggestion that I'm making to this witness is a matter of some seriousness and I want to be quite certain that we have this witness's considered answers to questions by me that this document was a false or fraudulent document and that's my suggestion.

1

MR NOLAN: Well, I-----

MR MULHOLLAND: Now I'm - now I'm - I'm asking the witness in relation to this second matter, the marketing recommendations. I want him to tell the Commission why that is not false when no marketing recommendations were performed by Quadrant?

10

MR NOLAN: Well, I object. "Fraudulent" was used. I want to know where it's fraudulent. If we're being accused of fraudulent false accounting I want some particulars of that. This has never been said before. I want to know why it's fraudulent.

CHAIRMAN: Mr Nolan, you know, if you're serious in that request then you'd better start providing authority as to why this hearing has to provide particulars to you of an investigation it's carrying out. If you're aware of the authorities at all you'd know that that's not needed. It's not necessary and it's not going to be given.

20

MR NOLAN: Well, perhaps - sorry.

CHAIRMAN: However it might be better if - Mr Mulholland, if you do confine the words at this stage to false because that's what you were asking the witness.

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MR NOLAN: He said fraudulent.

MR MULHOLLAND: I'm happy to tell the witness why I say it's fraudulent.

MR NOLAN: Well, can you just indicate to me where in the terms of reference the fraudulent aspect fits in?

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CHAIRMAN: Mr Nolan, I'm happy for Mr Mulholland to keep it to the terms that he was using before which is false. I think that's all that's needed at this stage for this line of questioning that's being undertaken. Now-----

MR NOLAN: So I take it that fraudulent has been withdrawn? Do I take that from what you've just said?

CHAIRMAN: Mr Nolan, don't cross-examine me. It's not a matter of whether I'm withdrawing anything. I'm just asking Mr Mulholland to confine his questioning the way he was before, that it's on the basis of asking whether, in the opinion of this witness, the document is false.

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MR MULHOLLAND: Now I'm asking you in relation to the marketing recommendations. Marketing recommendations were not performed, you have agreed, by Quadrant for Sunland, therefore why do you say that in that respect it is not false?-- Had

Quadrant performed marketing recommendations for Sunland this invoice would have had a purchase order number on it, it would have had a project description number on it, things of that nature, particulars as to the type or activity of work that was undertaken. So my view is this invoice is not false because we've agreed to pay a third party account in relation to this matter.

1

It says nothing about a third party?-- We've agreed to pay Quadrant.

10

All right. Well, you are seriously maintaining that by marketing recommendations it is understood to be marketing recommendations for someone else. Is that what you're saying?-- We knew the purpose of this invoice was to make a further donation and we knew that the marketing recommendations had been made for candidates.

Right. So the marketing recommendations you took to be a - to be marketing recommendations performed by Quadrant for candidates. Is that correct?-- That's correct.

20

And so you say that this document in that respect is not false. Is that right?-- It's not false.

And the amount of \$7,000, I take it from what you say, is to be understood as \$7,000 work performed by Quadrant for candidates. That's the way we are to understand this document?-- That's correct.

30

The \$700 service fee of GST, how is that worked out? You're being - you're paying Quadrant GST of \$700?-- It's a normal GST transaction. Quadrant have sent us an invoice with a GST component in it.

So are we supposed to understand the \$700 as being a GST component in relation to an amount incurred by Quadrant for candidates?-- We've paid an amount of \$7,700 which corresponds with the invoice that we received.

40

What I suggest to you finally in relation to this, Mr Treasure, is that any person looking at this document, any person, for example, the Australian Tax Office, looking at this document would be misled by its content. Now what do you say to that?-- I disagree with that.

Anyone looking at that document would clearly understand that it related to work which Quadrant had performed for Sunland?-- With the explanations that I've just given anybody would understand that.

50

Would you agree with me that looking at the document on its own that is the way that any person would understand it, that is it relates to work performed by Quadrant for Sunland?-- Without the explanation, no.

Sorry?-- Without the explanation, no, they may not.

They may not what?-- You just asked me that question.

1

Yes, do you-----?-- Looking at just the document would they understand it.

They wouldn't understand it?-- They may not.

You mean, they wouldn't - they would understand it? Are you agreeing with me that they would understand it, that this is work being performed by Quadrant for Sunland?-- They may gain that impression.

10

And that would be a false impression your Worship?-- It would be a false impression, not a false document.

Now-----

CHAIRMAN: Do you know whether your company claimed GST back?-- I believe we would have, that would be standard practice.

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MR MULHOLLAND: Now-----?-- I also believe, sir, that Quadrant would have remitted that GST on the transaction.

CHAIRMAN: I would expect so.

MR MULHOLLAND: Now, Mr Treasure, what knowledge do you have of the discount - rates discount matter concerning Carn River?-- At the time I was aware of the matter as my responsibilities as a director of the company, but had no involvement in the dealings.

30

Right. You had no involvement in the dealings. Well, in what way were you aware of it?-- I think it was discussed at a management meeting. The matter was discussed that we'd made a submission to council and were optimistic of receiving reimbursement of an amount we had to pay. That was the extent of my dealings with it at the time.

Now, Quadrant - sorry, Sunland had, more particularly, its company, Carn River, had claimed that it should be - receive the benefit of this discount of \$13,822.45. I take it that you would have known that there had been a rates notice issued earlier in 2004 which had not been paid on the due date. Did you know that?-- I think, Mr Mulholland, most of my knowledge about this has come in the last three or four weeks in discussions about this hearing and what I've read in the media. At the time I had - it was dealt with a different division of the company, and I had very limited knowledge of it.

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What I am really asking is this. Whether at the time that this donation - because that's what it is, or was, isn't it, a donation of \$7,700? This donation of \$7,700 was being considered and paid at that very time there was this discount matter before the Gold Coast City Council and it was considered by the planning committee - or the committee - relevant committee - finance committee I think it was - the

committee on the 9th of November 2004 and then by - for council on the 22nd of November 2004. So right smack bang in the middle of this donation of \$7,700 is made. Did you know that?-- No, I didn't know. I had no involvement in the series of events about the rates discount. No involvement in the committee meetings, the full council meeting about it, and any coincidence of time is purely that; a coincidence. The other matter, the Quadrant invoice, I was dealing with. I was not dealing with the rates discount issue.

1

Is it correct that Sunland had relocated from level 8, 50 Cavill Avenue, Surfers Paradise to level 14 in February of 2003?-- I think that's correct.

10

And were you involved in the arrangements concerning that relocation?-- No, I wasn't.

Who was in charge of those?-- A number of people within our organisation. As a director I would generally not be involved in the office administration matters.

20

Do you know of the company, the Falcon Group Pty Ltd?-- Yes, I do.

What do you know of that company? What, if anything, has it got to do with Sunland?-- It has nothing to do with Sunland. They were a tenant on the same floor of the building on level 18. We occupied that floor for a number of years and so did they. They're an unrelated company.

30

Right. Do you know a Mr McMillan?-- No, I don't.

Do you know a Mr Ross?-- No, I don't.

Do you know anything of a letter being sent to the council by the Falcon Group, a letter dated the 20th of September 2004?-- I have no knowledge of that letter.

May I see Exhibit 124, please, Mr Chairman? Now, I want to ask you, Mr Treasure, about any contact that you had, or a particular contact that you had, with a Mr Desmond James Campbell. Do you know Mr Campbell?-- No, I don't.

40

Do you know a person by that name with a real estate licence; a person working with First National?-- I do know of that person from the evidence that's been provided to me.

All right. So you familiarised yourself with what he has said about you?-- Yes, I have.

50

And this concerns a property owned by Mr Robert Anthes, A-N-T-H-E-S. Is that right?-- That's correct.

And this is a property at Carrara; a large property of some 343.3 hectares?-- That's correct.

And your company at one stage was interested in possibly developing that land. Would that be correct?-- No, that's not correct.

1

Well, do you remember receiving an information package which had been prepared by Mr Warrant Morton, the town planner and engineer?-- I recall receiving an information package from Mr Des Campbell.

Right, yes. Do you remember then telephoning Mr Campbell?-- Yes, I do.

10

And this is in August of 2004?-- I don't have a record of the date but that's approximately correct.

Right. In or about August of 2004. Mr Campbell says that you told him that you were from Sunland and that you - that is, the company - were interested in the property. Did you tell him that?-- Yes, I did.

20

Do you want to refresh your memory from a note, do you?-- No, I - I'm looking at his statement, I assume that's what that-----

Oh right. No, that's fine if you want to look at his-----?-- Quite happy to use that copy there.

Do you have a copy in front of you?-- I have a copy of his - his statutory declaration.

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All right. Well, if you just look at paragraphs 4 and 5-----?-- Yes.

-----and follow this through with me. He says that you told him you were from Sunland and you were interested in the property. Did you tell him that?-- Yes, I did.

He says that you told him that you knew the land and had been monitoring it for a number of years. Did you tell him that?-- That's correct.

40

He says that you told him that you had in mind doing an extensive residential subdivision. Did you tell him that?-- No, I did not.

Why is that you can recall not telling him that?-- I recall the conversation with him primarily because this particular property I have been interested in for a number of years so it's something that stands out in my memory. I live nearby to the property and I would drive past it most days of the week and over a long period of time I've had an interest in it.

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It's a - what, a pristine block-----?-- It's a large - it's a large piece of land in the hinterland of the Gold Coast.

Yes. So for developers such as yourselves it would be a very desirable block of land to get?-- The property had numerous

issues or constraints. It would not be highly desirable for development but it would represent an opportunity.

1

Yes. All right. Well, he says that you asked him who else had received an information package. Did you ask him that?-- We had a discussion about who else he had sent it to, it was actually contained within the letter he sent out, the names of the other people.

So was there a discussion along those lines?-- Yes, there was.

10

And that Mr Campbell told you the names of some of the people to whom he had sent such a package?-- I don't think he had to tell me because they were in the letter.

Do you recall you saying to him that he should let the vendor know that Sunland could get the development through Council because they had contributed to the Councillors' election fund?-- That's incorrect.

20

Nothing along those lines?-- Nothing along those lines.

Mr Campbell goes on to say that he understood that what you were saying is that because of the donations which Sunland had made Sunland would receive favourable treatment from the Council and for that reason the vendor should deal with them - that is, with you, Sunland - as Sunland would be able to get approval for the development of the land whereas others may not be able to. Any conversation along those lines?-- No, there was not.

30

When donations - particularly large donations - are made by Sunland is it expected that there will be at least some greater access to the people who are being assisted?-- No, there's not.

So you wouldn't expect to - as a result of say making a donation, large sum - let's just for arguments sake \$10,000 - which were to go - which was to go to a particular candidate or candidates - you wouldn't expect that your company would have greater access with those - with that candidate or candidates as a result?-- That has not been our expectation or our experiences.

40

Did Sunland, to your knowledge, ever give consideration to the non-public nature of the donation of \$10,000 that was made?-- The - both the \$10,000 and the subsequent \$7,700, in our mind, candidates who received that money from whatever trust fund was distributing it all received services from Quadrant, would have made their returns to show that so had they received either money or services from Quadrant rather than money that they would have made those appropriate returns when they did their disclosures.

50

I've nothing further, thank you.

CHAIRMAN: Thank you, Mr Mulholland. Mr Nolan.

MR NOLAN: Just one question on the Quadrant document that you were cross-examined about, the words "donation" written by you, were they done before the payment was made?-- Correct.

And it went from your offence then down to the relevant accounting section?-- That's correct.

Good, thank you. That's all.

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MR NYST: Mr Treasure, you spoke about that meeting at Sunland's office that Councillor Power went to, that was in relation to the cane field's issue was it?-- That's correct.

And as I understood what you were saying, you simply wanted to know if there was something others knew that you Sunland didn't know about cane lands?-- We just wanted to understand the current position within Council regarding the future use of that area of land.

20

People were buying up the cane lands and you were wondering well, what's the Council's view of the future of the cane lands?-- People were taking speculative options on land there.

Well, and so you made the enquiry to find out what the Council's view was and what was likely to happen in the future with the cane industry?-- That's correct.

And David Power was quite adamant at that meeting, wasn't he, that his view and the Council's view were that that area should remain undeveloped into the future?-- That the Council's view would remain unchanged, that as it had been for a long period of time, it would remain unable to be developed.

30

And he was quite adamant about that?-- That's correct.

And that by the way was quite a usual meeting for you to have, wasn't it, with Council representatives to find out what was happening in the city and what was likely to happen in the future?-- Not all that common but meetings like that happened.

40

All right. At the end of that meeting you said you were walking to the lifts and the Quadrant issue or the shortfall of money, more correctly, was raised, I think you said, as you were walking to the lifts. Is that right?-- I believe so, yes.

But it was a very casual and very brief reference; wasn't it?-- That's correct.

50

It was something to the effect of, "There's a bit of a shortfall and would Sunland be interested in assisting with that shortfall" to which Mr Abedian said words to the effect of, "Yes, we'll look at that" - something to that effect?-- That's correct.

Right. There was no discussion with Mr Power about how -
about the method of payment?-- No, there was not.

1

There's been no discussion with him, so far as you're aware,
about the manner of invoicing and so forth that we've heard
about?-- That's correct.

And there was absolutely no mention at that meeting, was
there, about the Carn River-----?-- No.

10

----- issue or any rates discount issue?-- No, there was not.

Indeed so far as you're aware there's never been any
discussion with Mr David Power about any rates discount for
Carn River?-- That's correct.

And beyond that - I mean, you said you've known David Power
for many years. He, Mr Power, has never offered through you
or to you or agreed or promised to provide any sort of favour
or preference or preferential treatment in any way to Sunland
in return for donations or anything else?-- That's correct.

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Thank you.

MR NOLAN: No questions, thank you.

CHAIRMAN: Yes, Mr Radcliff?

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MR RADCLIFF: Thank you. Mr Treasure, I appear for Councillor
Shepherd. In your disclosure documents you referred to the
invitation which was sent to you. Do you have them still
before you?-- Yes, I do.

You've got them, yes. And at the foot of the page you ticked
the box saying, "I will be attending the fundraising function
and enclose my cheque"?-- That's correct.

And in the body of the - right in the centre of the invitation
it was - the cost of it - the function was going to be \$40 per
person by way of donation?-- That's correct.

40

And as a consequence of this, Mr Treasure, who - after you
ticked this and sent the \$2,000, what response did you get
from Mr Shepherd's campaign fund people? Did they write to
you again?-- I think we received some tickets to the event.

You received 50 tickets?-- I believe so, yes.

50

So as a consequence of the \$2,000 you received 50 tickets to
attend this function and, whilst you say that you personally
didn't attend the function, a number of your staff and
directors attended the function; didn't they?-- I believe one
of our staff members attended with his partner.

Is see, right. There may have been - you weren't
there?-- There could have been others.

Yes. I'm instructed there may have been six or possibly 10 but-----?-- I'm unsure of it.

Yes. And with these tickets did you offer them - not you personally - but did members of the Sunland Group, if I can call it that - were they offered to consultants or other people who wanted to use them?-- They would have been offered certainly to staff and perhaps some consultants working on projects in the Mudgeeraba area.

10

All right. But you personally weren't there so you don't know exactly how many people took advantage of your tickets that you purchased?-- That's correct.

Yes, thank you.

I think it might be of assistance to all of us if we were to know a little more about the size of Sunland's operations, especially vis-à-vis this rate notice circumstance that you've heard about. How many staff were working at 50 Cavill Avenue in 2004, approximately?-- 40 to 50.

20

Yes. And how many - were you on one floor of the building or more than one floor?-- On Level 18 we occupied about two-thirds of a floor of the building.

Yes. And this is one of the - in fact, it is the largest business or commercial premises on the Gold Coast, is it not, or was it?-- That's correct.

30

So you had two-thirds of the floor, 40 to 50 staff there. At the time of this rates notice that was missed approximately did the Sunland Group own?-- In the Gold Coast City Council there would be hundreds and hundreds because all of our developments have completed product.

Yes. And how many companies at that time were under the umbrella, so to speak?-- I would suggest between 40 and 50 - perhaps more.

40

Right. Thank you.

CHAIRMAN: Mr Treasure, on that invitation that's got the note down the bottom, is that your handwriting?-- No, it's not.

That'd be your PA or someone like that substituting for you?-- I believe so.

All right. And ticked that you would be attending and then you sent the cheque off for 2,000. You saw that as a donation?-- That's correct.

50

Yes. Mr Martin? Anyone else?

MR MARTIN: Thank you. Mr Treasure, name's Terry Martin. I appear for Mr Hickey. Just in relation to the conversation that you had with Mr Hickey when he telephoned you about the outstanding fees for Quadrant, I thought that you said before that he nominated a figure of \$7,000. Did you say that before?-- The figure was nominated by Tony Hickey.

1

Right. Can I suggest that you're mistaken about that - that he didn't raise it. You might have got it from Mr Scott or someone else but he didn't mention the figure?-- The figure was certainly not discussed with David Power and I wouldn't have asked Tony Hickey to send an invoice without knowing the quantum. So I believe it was discussed with Tony.

10

You believe, for that reason, that it was discussed, all right. Equally, I suggest to you, you were mistaken about any discussion about the trust account being closed - at least you didn't have that discussion with Mr Hickey?-- The discussion I had with Mr Hickey was, "How do we make this payment?" and my memory is that he said, "It will need to be paid directly to Quadrant as fees are outstanding to them and it can't be paid to the trust.

20

Yes, all right. That's to the best of your recollection?-- That's correct.

Thank you.

CHAIRMAN: No one else? Anything arising, Mr Nolan?

30

MR NOLAN: No.

CHAIRMAN: Mr Mulholland?

MR MULHOLLAND: No, thank you, Mr Chairman. May-----

CHAIRMAN: Yes, thank you, Mr Treasure, you're excused, thank you for your evidence.

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WITNESS EXCUSED

MR MULHOLLAND: I call Mr Soheil Abedian.

SOHEIL ABEDIAN, SWORN AND EXAMINED:

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MR MULHOLLAND: Is your full name Soheil Abedian?-- Correct.

And have you been served with a notice, attendance notice in connection with today's proceedings?-- That's correct.

Would you have a look at this document please. Is that the notice, Mr Abedian?-- That's correct.

1

I tender that, Mr Chairman.

CHAIRMAN: That will be Exhibit 263.

ADMITTED AND MARKED "EXHIBIT 263"

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MR MULHOLLAND: Mr Abedian, would you tell us please what position that you occupy with respect to Sunland?-- I'm the joint managing director of Sunland Group.

And who is the other managing director?-- My son.

And Mr Treasure is also a director?-- Mr Treasure is a director and a board officer, correct.

20

And how long have you occupied that position with Sunland?-- Since the inception of the company, for 22 years.

And what is the company's business?-- We have different segmentation in the company. We are predominantly a development company, we are a construction company, we are in tourism and leisure, we are in child care industry, and we have our own formwork company, our own joinery company. Overall you could say we are in 10 different activities with over 1,270 employees.

30

How long has Sunland operated on the Gold Coast?-- Twenty two years.

All right. Now, you would be aware of the statement which Mr Treasure has provided to the Commission?-- Yes, sir.

And you would be aware of its contents and also the documents which he supplied on behalf of Sunland?-- Yes, sir.

40

Now, there are some matters arising out of that statement that I want to take you to. Could you tell us, Mr Abedian, first of all your association with Mr Brian Ray?-- I know-----

The late Mr Ray?-- I knew Brian for many years as one of the predominantly business people that he was, had extensive development from time to time in Queensland.

50

Right. And so you would have had - was he a friend of yours?-- We could not say that we were friends, no.

Right. How long would you have known him for?-- Maybe around, say, 12 years.

Right. Now, did you become aware that Mr Ray was organising a fund for certain candidates of the Gold Coast City Council election of March 2004?-- That's correct, sir.

1

When, to your recollection, did you first become aware of that?-- It was sometimes I could not, Mr Mulholland, tell you exactly the date, it was either in December or in January, I'm referring to '04, that I was - I quite vividly remember that I was in Palazzo Versace, I was coming out of that from one of my meeting and the telephone rang, Brian was on the other side, and ask me the question that if I support the councillors, and my respond was yes, I do and the second question, it was, "How much usually you give to each councillor?" and I said, "Around 2-\$3,000." He said, "What about this time?" and said that we give individual, we put the fund together and they can use it as they need, around \$10,000, and I said jokingly to him that it would be much cheaper, that is great idea.

10

It would be much cheaper?-- Cheaper to give one 10,000 instead to give each one of them 2-\$3,000.

20

Right. Well, when - when we speak about giving each one of them, is that a reference to the councillors?-- Correct, sir.

Right. Well, was this fund as you understood it to be used to support existing councillors?-- Correct, sir.

The councillors who were then, that is in December 2003, on the Gold Coast City Council?-- The discussion did not go any further than that, that if I would like to support and my respond was yes. He did not mention any candidate and I did not even ask any question.

30

I take it however that you did become aware that the money that you were being asked to contribute was going to go towards a fund to support selected candidates, not all of the candidates?-- No, Mr Mulholland, that was not the case. At the time that Mr Hickey contacted me and-----

40

Mr Hickey?-- Sorry, Mr Ray-----

Ray?-- -----contacted me and subsequent to that to give \$10,000 to the trust account of Hickey Lawyers.

Right. So your understanding was that this money was going to support the council that then existed, that is in December 2003, the councillors who were serving on the Gold Coast City Council in December 2003?-- They did not mention to me if it is existing councillor or a new councillor, they say, "Would you support the Gold Coast City Council election?" My respond was, "Yes," "How much you donate to them?" I said, "Around 2-3,000 each." He said, "We thought it is more appropriate to give 10,000 and they use it as they need," and I said, "Okay."

50

As they need. Who was going to make the decision as to how it was to be distributed?-- No idea. No idea. I'm just assuming

that since Mr Ray contacted me he would be consultation with them.

1

Did you make a note of any of the contacts that you had with Mr Ray in regard to this matter?-- No, I didn't because like Mr Treasure before stated, I requested that if he could send me an e-mail in that regard and that is usually what we do, and he send me subsequent to that e-mail and requesting to send \$10,000.

10

You say that it would have been to your best of your recollection in December of 2003?-- It could be December, it could be January; I couldn't tell you.

There is an email, not to you, but there is an email from Mr Ray on the 19th of December which would suggest that from his point of view at any rate you had confirmed by that date your intention to contribute \$10,000. What would be your recollection?-- I couldn't really tell you anything about that. I just - as I mentioned - I remember the telephone conversation that I had with him. The time of it I couldn't tell you when it was.

20

Now, what was Sunland hoping to achieve by this donation of \$10,000?-- Mr Mulholland, am I allowed to explain on that question?

Yes, of course?-- Mr Mulholland, I came from a country that every day you hear in the news the injustice that is occurring. I-----

30

Sorry, I missed that, Mr Abedian?-- Injustice that is happening in the Middle Eastern region.

Yes?-- I came from a country that I strongly believe that Australia - and I do believe strongly that Australia is a multicultural society that uphold the human rights, and I believe it is my right as an individual to donate to Federal Government, to the State Government, to respective councillors, to a charitable organisation, and I can tell you although by number of my share in the company I'm in the top 200 richest men in Australia. I don't have any money personally that I do not donate to the charitable organisation. Just as one example, last year alone we have given more than three and a half million to charity, not because I want anything from them, because I believe the country that has been so good to me, because the country that has made me, in two university to lecture in ethics in business and lifestyle, that I owe it to be bipartisan, that whoever come and leads the society that they do it in the best interests of those regions, be it under Federal level, be it under State level or be it under local level.

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50

Did you see this fund as a charity?-- No, I - I believe when we make a donation we do it with the best endeavour. I'm not, Mr Mulholland, saying that we are in control of what ultimately the people that we - be in their mind to use it or misuse it, but the intention of Sunland has been very pure,

and I hope as long as I am there, that we continue with the same policy.

1

Well, all I'm seeking to explore with you is what you saw in why - why you chose to give \$10,000 to this fund. Why this fund, why \$10,000?-- Because the late Mr Ray asked me am I donating to the councillor and I said, "Yes". He asked how much; I said, "Allow 3,000 - two or three thousand dollars to each one of them," and he said he thought this time is more beneficial that each one get \$10,000 and they use it as they need.

10

You did however not only give the \$10,000 but you also gave a donation to Mr shepherd and also to Mr Christmas, and - that is so, isn't it?-- Correct.

So it wasn't simply - it wasn't simply that you were giving the \$10,000?-- No, that's - you're correct, sir.

So-----?-- I gave Gary Baildon \$18,000 as well.

20

Mr Baildon?-- Yes.

So how did you come to make a decision as to how much you would give to these different groups? First of all \$10,000 to - well, you didn't know really where that was going to go, apart from the fact that it was going to go to councillors; would that be correct?-- Correct, sir.

Do you understand that? But you did know the \$2,000 that was going to go to Mr Shepherd and the other amounts that were going to go to Mr Baildon and Mr Christmas?-- Mmm.

30

So why 10,000? Is that just because Mr Ray asked you to give 10,000?-- Correct.

So it was done because you - or I understand your answer to me previously, it was done because you saw this as some kind of public spiritedness to give money to that amount?-- Correct, sir.

40

Part of being a good citizen?-- I hope so, yes.

And would you have adopted the same approach in relation to any councillor candidate who asked for a donation from someone?-- Correct.

So anyone who asked you for a donation, you would have provided them with a donation?-- Correct, sir.

50

Now, you've seen the invitation that Sunland received, more particularly Mr Treasure received, to Councillor Ted Shepherd's function of the 12th of November 2003. Do you have that material there, or a copy of it?-- Yes. Yes, sir.

Yes. What do you know of this invitation?-- My PA, Heidi Welsh, received that. The handwriting is from her.

From who?-- From Heidi.

1

Right. Could you-----?-- The \$2,000 that is at the top is my handwriting.

Right?-- And the rest is her handwriting.

Could you just read it to confirm what it says there, please?-- "Invitation Councillor Ted Shepherd-----"

10

No, no, sorry. Sorry, just the handwriting?-- The handwriting is CT to attend. Donation-----

Is that 16/10/03?-- 16/10/03, correct.

And to the right of that?-- "CT" is Craig Treasure and when the invitation came I - I am very good on delegating works and said Craig should attend this function.

Right. So you caused her to write that on the-----?-- Correct.

20

-----on the invitation?-- Correct.

And then what appears - is that - is all of that her handwriting-----?-- Except-----

-----apart from the 10,000 - 2,000?-- Except - the 2,000 is mine, the rest is all hers, correct.

30

Right. So what's under "CT" there? What's that? "Donation"-----?-- To-----

-----how much?-- It was "how much" because she would ask me and I put it on my file. Every day the letter that I - and I put \$2,000. And she would take it back and say who to - Craig Treasure to attend.

And is that how much from Sunland?-- That is correct, sir.

40

And what about that - what's to the right of "how" - what is that? "Election", is it?-- "Donation to election".

"Donation to election"?-- Correct.

Yes, all right. And that was a donation made and intended to be made to the re-election campaign of Councillor Ted Shepherd?-- Correct, sir.

Did you know Mr Shepherd?-- I have met Mr Shepherd in many Council function. I do not believe that I ever have met him privately or in any other gathering, no.

50

Now, you knew that the cheque for \$10,000-----?-- Correct.

-----that you paid was to go into the Hickey trust account?-- Yes, sir.

And did you know who was controlling that account?-- No, sir. 1

Were you interested in knowing who controlled it?-- Not really.

Did you know Mr Power?-- I know Mr Power.

Did you know Councillor Sue Robbins, the late Sue Robbins?-- Very well. 10

Did you know both of them to the same degree or did you know Councillor Robbins better than Councillor Power?-- Both of them the same.

And how long did you know both of them?-- Oh, I couldn't tell you how long late Councillor Robbins was a councillor of Gold Coast City Council or Mr Power but I could say at least more than five years.

Were they friends of yours?-- No, sir. 20

Well, you knew them well?-- Correct, sir.

And did you ever speak to Mr Power or Councillor Robbins in relation to this donation?-- Mr Mulholland, may I go back to the question of friendship?

Yes?-- If a friend is that some time you catch up to have a drink, visit each other privately, have private conversation, definitely they are not my friends. But if you believe in the values that they represent, I would categorise them as a friend, correct. 30

Right. Now, can we move on to the question in relation to any discussion with either of them in relation to the fund, that is the election fund that was going to support councillors or whoever? Did you have any such conversation with either of them?-- No, sir.

Not throughout the campaign?-- No, sir. 40

Did you meet Mr Power during the course of the campaign?-- In the-----

At any time, did you meet him during the course of the - say the period from the beginning of December through to the election on the 27th of March?-- I don't recall, no, sir.

Councillor Robbins, did you meet her in that period?-- No, no, sir. 50

Did you know that the fund of which the \$10,000 was paid to was being used in order to mount a campaign to win various divisions or wards for a caucus of like-minded members?-- Not at the time, sir.

Not at the time. What, did you find that out later?-- Correct, from actually an article that appeared on

the front page of The Gold Coast Bulletin which it was under the title of "King Maker" and I was so furious that I pick up the phone and I called Brian Ray, in total disgust to say why my name has appeared because I wasn't even part of any discussion what so ever and since that day, it is common knowledge within the business community that I did not talk to the late Brian Ray.

1

Right. Well, I'll come to that. That was a few days before the election-----?-- Yes.

10

-----the article that you're referring to. I'll come to that. But just at the moment, I'm asking you whether or not you knew what would appear to have been at least Mr Ray's intention to use this fund to win various wards for a caucus of like-minded members with whom developers could negotiate in a similar way to the outcome achieved in the Tweed Shire election?-- No, sir, I did not.

Didn't know anything of that?-- No.

20

Yes. Were you - what did you think in November, December of 2003 in regard to the performance of the Council? Were you happy with its performance-----?-- No, sir.

-----so far as your company was concerned?-- No, definitely not, and it is on public record for many times that before the election when it was in regard of the infrastructure of the City, I stood and said to then the Mayor of the Gold Coast, Gary Baildon, that, "We love you but bring your councillor in line that the decision can be made for the betterment of the City." That was again at the front page of The Gold Coast Bulletin.

30

So your position in later 2003 so far as the Council is concerned, that whilst you were happy with Mr Baildon, you weren't happy with the performance of the Council as a whole. Would that be fair?-- Correct - correct, sir, yes.

And you would have supported moves to elect candidates who could work in a coherent way?-- Hundred per cent.

40

And that was, I suppose, at least part of why you were prepared to contribute \$10,000 to this fund. Would that be correct?-- I didn't know at the time who would be the recipient or beneficiary of the fund but if that was the reason of it, I was very happy to see that happen.

And you would have had confidence in Mr Ray, his judgment?-- Mr Ray for a long period of time he had a very close link to many different political parties on a State level, Federal level, and he was lobbying for that.

50

Lobbying for?-- For giving donation. Mr Mulholland, it should be noted that at the time Mr Ray did not have any development whatsoever on the Gold Coast, for somebody that is almost within the business community has been respected as a

businessman but did not have any interest whatsoever in development scene. I saw him as a very independent person.

1

Yes. He was a developer, however, wasn't he?-- He was a developer, correct.

And you had confidence in Mr Ray's judgment in regard to this fund that you were contributing to?-- Correct, sir.

So that from your point of view, you were happy to contribute enough money knowing that Mr Ray would take care of where it went to?-- Correct, sir.

10

Now, do you have any recollection of a function that was originally intended to take place at Lakelands Golf Club on Wednesday the 10th of March 2004. This is-----?-- I just found about it half an hour ago when you asked Mr Treasure.

So you didn't know about it?-- Nothing whatsoever.

20

So you would be surprised to know that you were on the list with your telephone number?-- I'm very honoured but I wasn't invited.

No one gave you a call?-- No.

And you didn't hear from Mr Ray about it?-- No.

Did you know of any other function or meeting that was to be held prior to the 27th of March election for contributors to the fund?-- No, sir. Mr Mulholland, may I add to that. I never attend any function.

30

Yes, you never attended any functions?-- No, and-----

The function was never held but I'm just-----?-- No, no.

-----it was intended-----?-- No, sorry, I - I believe you misunderstood me. I never attend - attend any function. Doesn't matter what kind of function it is, I don't go. I - and I always nearly get somebody else to go.

40

Any function?-- Any function.

Or are you just talking about a Council function?-- No, any function. I keep to myself as much as I can.

Mr Lionel Barden, do you know Mr Barden?-- I do.

How well do you know Mr Barden?-- I - then I was building Palazzo Versace on the Gold Coast. He had a company with the lightings that he created for us, the big signage at the front of the Versace vignara.

50

So how long have you known Mr Barden?-- The first meeting that I had it was prior to the completion of Versace which it was say around June/July 2000 because the door opened around September.

So has your contact with Mr Barden been limited to business contact?-- That was the only contact I had with him.

And did you have contact subsequently with him?-- No, I didn't.

That's the only contact?-- Correct, sir.

You would have known of his Innovation Showcase down at the old terminal at Coolangatta?-- From papers maybe.

10

You never went there?-- No.

Did you know at any stage that - or did you have any contact with Mr Barden in connection with this fund that you contributed to?-- Never.

Did you learn at some stage that Mr Barden had put in a return, what is termed a third party return, in July 2004 declaring a gift from Sunland of \$10,000 to him on the 28th of January 2004?-- No, sir.

20

So, what, you have no knowledge of that declaration at all?-- No, I didn't.

And you knew of no association that Mr Barden had with the fund to which you were contributing?-- Correct, sir.

Well, now, did you know at any stage that Councillors Power and Robbins were controlling the Hickey - were controlling the distribution of funds within the trust account of Hickey Lawyers?-- Before the election, no, sir, 100 per cent. After the election from the media, yes.

30

Now, you have referred to an article?-- Yes.

Can I see Exhibit, the media article, Exhibit 3, number 12 appears to be. And number 29. Now, this is an article which is-----?-- Yep.

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-----headed "Business Leaders put pressure on Baildon over City gridlock"?-- Correct.

And in it-----?-- Yes.

-----you are quoted. I just want to take you to what the article says?-- Sure.

It's by Alice Jones. It says, "In what was taken by many in the room" - this is a reference to business meeting the previous day involving some 60 people - "In what was taken by many in the room to be a thinly veiled threat to the Mayor, prominent developer Sahiel Abedian who has previously donated generously to Councillor Baildon's election campaign told him to bring his councillors into line." Did you say that?-- Yes, sir.

50

It went on to refer to your speech, if you go down about halfway down the page, "In a blunt speech Mr Abedian, who heads construction firm Sunland which is undertaking the Q1 and Circle on Cavil projects, was damning in his criticism. Our Council can't make a decision he said. We have 14 independent Councillors, they can hide behind anything and everything, they can shit on officers." Did you say that?-- Yes, did, sir.

1

"Our Council doesn't have a common vision for this time. They come before every election with new ideas. We can talk until tomorrow and come up with ideas but nobody can put it together unless 14 Councillors say this is the heart of our city, this is what we want to do. Mayor, we love you but you have to bring the other Councillors in line to see your visions. Please have one vision and we as a solidier will follow you." Did you say all of that?-- Yes, sir.

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And is that the - what you were referring to earlier in relation to your criticism of the Council?-- Correct.

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So you were making the point in February of 2004 to the same effect?-- Correct.

You agree you said all of those things?-- Correct.

Now, would you go to the foot of the page and do you see this quote, "The problem with the Gold Coast City Council is we have got one mayor with one vote and 14 other Councillors who have just as much power as the mayor." Did you say that?-- Correct, sir. Yes.

30

And then the next line, "What we need to see is at least eight Councillors who see the good sense in undertaking a project that is in our opinion an all of Gold Coast project." Did you say that?-- Correct, sir.

Where did that reference by you to eight Councillors come from?-- Because it has to be a majority sir-----

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So - right. So 14 Councillors and the mayor, did you have any discussion with anyone else about eight Councillors?-- Mr Mulholland, I have learned from the childhood that whatever I say I say publicly and I refuse to meet with anybody privately.

Whatever you say publicly?-- I always - my statement is public reported. I do not call any individual to go and see them and make a statement. I don't believe in that. In a democracy the views has to be public knowledge.

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Right. So would that mean that your openness in relation to that would also extend to any donations that you made during an election campaign?-- No, sir. No, sir.

It wouldn't?-- It wouldn't - sorry, what was the question?

The question is would that view of openness, would that also extend to any donation that you made? That is to say you were quite happy to make it public?-- Yes. 1

You would have been quite happy if the donation that you made to the fund of \$10,000 had been made public at the time that it was made?-- No problem.

So you were not involved at all in the decision to keep that secret?-- No. I - I didn't even know that is secret. 10

Well, you didn't see it mentioned in the - except in the speculation in the media, did you?-- Correct. I - I objected that somebody call me a king maker, that was my whole point, but donation I don't have any problem.

I might take you to that next article now?-- Yes.

Number 29. 25th of March, yes. Now, this----- 20

CHAIRMAN: Well, the first page with the king maker is actually 28 and then 29 is the inside page.

MR MULHOLLAND: Yes, well perhaps I should go to 28 first. Thank you. Is that article the article that you objected to?-- The king maker, correct, sir.

And your objection in relation to that is what? What was your objection?-- Because I did not support any group or any individual. I - anybody who ask me to donate money I did and I do not believe that any group of people they should be the powerbroker or they should be the king maker and I was furious about that. 30

Right. What, you were furious with Mr Ray?-- Correct.

Would you have a look at the article of the 25th of March. Now, this article refers to Mr Ray having admitted that he's behind the big budget campaigns of a group of Council candidates. Were you unhappy with this article as well?-- Very muchly because my name without even any consultation, without anybody warning me that is something behind that. For the first time I heard the name bloc was from that media coverage. 40

Did you speak to Mr Ray after the appearance of the - that article of the previous day?-- Yes, sir.

Tell us about that discussion?-- Do I have to? 50

Yes?-- I just-----

What did you - you telephoned Mr Ray, did you?-- Correct. And I told him how-----

What did say to Mr Ray?-- -----disgusted I was and I said to him that I don't wish to hear from him ever again and I hang

up on him. Twice more he called and he left messages to meet with me and I didn't respond back.

1

Did he explain the circumstances?-- I didn't let him to do that.

You didn't let him explain the circumstances?-- No.

So what was the purpose of the telephone call?-- Just to tell him that I was really disgusted with that and-----

10

Did you say why?-- Because it wasn't like that. Because it was as innocent as it may sound or not sound they ask me for donation which I have given to everybody and anybody doesn't matter which side of the politic they sit and the next thing I hear that I'm part of a king maker process on the Gold Coast.

So you disagreed with that description of "King Maker"?-- Correct.

20

Is that essentially your disagreement?-- It is. I believe that any democracy they should go through the National causes and the people - they should choose their representative.

And in this conversation it sounds like it was a very short conversation you had with Mr Ray?-- It was very short and very loud, Mr Mulholland.

And so you said this in pretty explicit language how unhappy you were with him?-- No, I didn't use any f-word, no sir.

30

I didn't suggest you did, Mr Abedian. But you told him directly your disagreement with what appeared in the paper?-- Correct, Sir.

And your portrayal as the King Maker?-- Correct.

But he didn't get the opportunity to explain what had occurred?-- No, because I hang up on him.

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And you didn't tell him anything else that you disagreed with?-- No. I said it was unfair that my name has appeared there. It was unfair that I didn't know even what's going on and how dare of him because of a little bit of publicity he put his picture at the front of The Bulletin and mention my name.

Yes. But so far as mentioning your name in connection with the fund I understood from what you said that you wouldn't have been unhappy for that to be made public?-- My statement in regard of the council is quite known on the Gold Coast, Mr Mulholland.

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So, so far as your name being revealed as someone who was involved in the fund, you wouldn't have been unhappy at that?-- No, in a rightful manner, no, I wouldn't be unhappy.

So if Mr Ray had said publicly that you had contributed to the fund, that would have been all right?-- Correct, but not as a King Maker or a plot or anything like that.

1

Now, Mr Ray is quoted as saying in this newspaper article of the 25th of March - this is about half a dozen lines down - Mr Ray said, "We're no responsible for any of the campaign. We simply believe if a more coherent outcome can be achieved for the membership of that council it would be in the interests of the city." Well you would have agreed with that sentiment?-- Very much so.

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And asked if there were any mayoral candidates involved in the alliance Mr Ray said it was suggested there wouldn't be any preference for the mayoral candidate. The issue was really about trying to establish a caucus style of council so there could be some discussions about issues on a collegiate basis prior to a decision being made. Again, you wouldn't have been unhappy with that?-- My statement however in that regard, as you know is on public record, that I called many times in many function that the council has to become the political castle with - that they can make a decision behind it or-----

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A political council?-- It means Labor versus Coalition.

So you'd like to see the major parties involved, is that what you mean, rather than people who don't belong to any political party?-- A so-called Independent - that they use the forum of the council with the lies that they bring in and manipulate the mind of the many poor rate people - that they don't know really if their statement is correct or not.

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So what - you're not very happy with these so-called Independent councillors?-- No, Independent councillor - I'm happy as long as they can make a decision and at the front of their city that they representing that we have now, what, sixth largest city - that they have a cohesive approach to the problem of the fastest growing region in Australia.

Did you regard, prior to the March 2004 election, the cooperation of the council as having stalled, that is, stalled in relation to decision making about planning and development matters?-- In every aspect, Mr Mulholland.

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Including planning and development?-- Correct.

Another matter that Mr Ray referred to in this article - if you just go down further - he said, "The idea was" - can you see that? Mr Ray said, "The idea was to overcome the dysfunctional illogical decisions made by council are more concerned with personalities than issues."?-- Correct.

50

Would that have expressed your sentiment?-- Oh very much so, yes, Sir.

"My interest was to see if there could be a more compatible group that can work together again." That would have agreed with what you thought?-- I don't believe in any political

party everybody's compatible but at least they have their fight beyond the closed door and there can't be there one vision one decision for the city and declare it to everybody. I don't believe currently the way that the city is running because of the three candidate - that they lie after lie after lie - we get that.

1

Yes. You also saw reference to Mr Barden - if you go down to the text which you have in front of you you'll see, "Mr Ray was adamant that Mr Barden was behind the funding drive. Lionel Barden was, as I understood it, the face of the campaign" et cetera. Now that came as a complete surprise to you?-- Very much so.

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Because you knew nothing of any involvement of Mr Barden. It then goes on, the article, to refer to something you said. At the top of the next page, "Mr Abedian said he was approached by Mr Ray to make a donation, which he did. He would not say how much money he had contributed but said it was not significant. 'Yes, I have been approached. I was supportive of the attitude that they wanted to have a more common view about the decision', said Mr Abedian, who has in the past donated generously to me and Baildon and other councillors." Now what is attributed to you there? Did you say those things?-- No, they asked me - the reporter - if I have donated and I said "Yes." They said, "How much?" I said, "It wasn't significant." And that was it.

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Right. You said - well they quote you with saying - this is the reporter quote you - just - if you have a look at the article - quotes you as saying, "'Yes, I have been approached. I was supportive of the attitude that they wanted to have a more common view about the decision,' said Mr Abedian." Did you say that to the reporter?-- I believe I did but my view was, Mr Mulholland, very, very well-known on the Gold Coast. I have - I'm using every opportunity that I can to convey this message.

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Well you've conveyed it very well?-- Thank you.

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All right, and - yes. Is that next part there attributed - is that what you said? "Brian Ray said a fund had been established to have more sensible approach to the Council decisions for the betterment of the City." Is that what you told the reporter?-- Is that what is reported?

Just have a look?-- Which part is it? My apologies.

This is about half a dozen lines down page 2. You see after the part I've already referred you to?-- Yes.

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And it goes on and quotes - do you see that in quotes?-- I-----

It appears to be quoting what you said. That's what I'm asking, if you said that to the report

It appears to be quoting what you said. That's what I'm asking, if you said that to the reporter?-- "All I know is that the business community" - that is the passage that you are referring to?

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No, it starts, "Brian Ray said" - can you find that there?-- "Brian Ray said"-----

"Brian Ray said a fund had been established"?-- May I approach you?

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I'll approach you?-- Thank you.

MR WEBB: It's line 9.

WITNESS: Oh, okay. "Brian Ray said" - yes.

MR MULHOLLAND: "Brian Ray said a fund had been established"-----?-- Yes.

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-----"to have a more sensible approach to the Council decisions for the betterment of the City. Anything that could bring a common vision to the Council we're happy. Brian told me that it is a good cause to do and I said, "Okay, I do it"?-- Yes.

"I don't even know who the recipients of it are"-----?-- Yes.

-----"it's purely a vision." Did you say that to the reporter?-- Yes, sir.

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That's yes, is it?-- Yes, sir.

Thank you. Now, later in 2004, did you, through your company, donate \$7,700 to Quadrant?-- Yes.

Tell us the circumstances in which that occurred? What's your memory of that?-- I called Councillor Power because of the report that I'd received from Mr Treasure that sugar cane area which is in his electorate that he is representing has been auctioned by many different developer and our understanding was that this area will be preserved and it would not be developed. I called Councillor Power as I - Mr Mulholland, including Councillor Young present and every project that we want to buy, we do call the Councillor respective for the area. I called him.

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For what purpose do you do that?-- Just to understand what is the view of the local representative. And I called him to find out and he suggested that he comes to our office that day and he did come to the office and we discuss about the cane farm and he said, "As long as I am representative of that area, it would never ever happen. Don't even waste your money or time to do something that has no merit or no value." And we did mention that it is a strong rumour that many of the other companies that are doing it - he said, "Under no circumstances that area will be ever developed."

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Did he say why not?-- Because it is protected for the future space and agriculture currently.

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Yes, all right. So you had that discussion?-- And that finished - we came into the lobby area and he mentioned that it is some shortfall in the fund and, "If you are happy to contribute," and my response like any other time, it was, "Yes," that was it and we said goodbye.

Was Mr Treasure there-----?-- Yes, correct, sir.

10

-----at that time?-- He was.

And he had been present at the meeting, had he?-- Yes.

So this is a discussion that was had in the lobby after the meeting was over?-- Correct, sir.

So you knew from Mr Power that there was a shortage - shortfall in the fund?-- Correct.

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Did you know that it was a shortfall in the fund so far as Quadrant was concerned?-- No, sir.

Just a shortfall in the fund?-- Correct, sir.

Well, this is months after the election?-- Correct.

So did you ask any questions in relation to that?-- Mr Mulholland, is not unusual in any - in any election that when the candidate - they go through that process that after the election is completed, they come and ask for more funds as Councillor Baildon did after his election which I was happy to support him with \$18,000. Councillor Christmas did which I was happy to support him although both of them, they did not get elected - to support them.

30

So you were well aware of the fact that Mr Power was connected in some way to this fund?-- It was every day at the front of The Gold Coast Bulletin.

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Right. But you hadn't had any conversation with him about it?-- No, sir.

So what steps were taken then in regard to the matter that had been raised?-- I believe after that Mr Hickey contacted Mr Treasure and whatever is needed to be done, it happened.

Well, the - did you know that Mr Ray had been involved in this request for further money to meet the shortfall?-- As I mentioned, Mr Mulholland, before, after that King Maker, I did not talk to him and that is why maybe he didn't call me directly.

50

The - did you know that Mr Treasure had had a conversation with Mr Hickey?-- At the time I didn't but after that, yes, I knew about it because he asked me if it is okay for \$7,700 to be paid and I okayed it.

What did you know about the documentation that was going to be used in connection with that donation?-- Mr Mulholland, we have a policy in the company that no employees are allowed to approve any payment without the paperwork including the directors.

Yes?-- And that is why it is part of the policy of the company that either on paperwork or an invoice has to be there with the signatory of one of the directors or the responsible entity in the company to sign off and when it is signed off, it goes to the account to be processing.

Did you know of any conversation that had taken place between Mr Hickey and Mr Treasure in regard to what was going to be shown in the invoice?-- No, sir.

Well, do you have the invoice there?-- Yes.

A copy of it?-- I believe I do.

Just put the other one to one side. I'll have that taken back. There's the invoice for \$7,700, also Exhibit 146?-- Yes, sir, I have it here.

Now, when did you first become aware of this invoice, Mr Abedian?-- When I believe the CMC required to bring forward all the evidence. I saw it then.

I take it that when you first saw it you were somewhat surprised at the contents of it?-- Not really. Why?

Well, it is - just have a look at it, Mr Abedian?-- Yes.

A tax invoice for Quadrant. The client was Sunland Group Limited?-- Correct.

This was in connection with the fund - the election fund?-- Yeah.

Was Sunland a client of Quadrant?-- No.

Well, that's why I say it would be surprising to you-----?-- No.

-----to see an invoice with Sunland shown as a client of Quadrant when Sunland was not a client of Quadrant?-- Mr Mulholland, if you put yourself in my position, you will see in totally different light.

Why?-- May I explain? It is written on the job description, "Marketing Recommendation." We knew that there was a shortfall. We knew that Quadrant giving advice in regard of the policies, advertising for the councillors. Then we saw internally the work specialised, so the internal marketing recommendation - we thought that the marketing recommendation belong to the councillor that they have given advice to, and-----

But that's not what this says, and wouldn't be interpreted by any person looking at the invoice in that way, I'm suggesting to you?-- I respect what - I respect what you are saying. That's correct. But if it is - the footnote is not there, you're right. But internally we knew what it is about, and we completed the invoice to read that to every third person they send marketing recommendation, yes, donation in-kind. So for us it was a closed case that it is a donation.

But Mr - this is a document - a part of the records of Quadrant which you were a party to, and this is a document which on its face is false. You'd agree with that, wouldn't you?-- I would not. I know where you-----

On its fact it's false?-- No, I - if you've been involved in a part of the discussion before and you receive something, you would not see it that it is a false invoice.

On its face it is false?-- If nobody knows what is it about. Somebody receive it on-----

On the face - on the face of the document it is false?-- I disagree with you, Mr Mulholland, and I'm genuinely not trying to be difficult. I - if you put the circumstances together, the way that it's happened, the way that we had the phone calls, the way that the discussion went, and they said that they are short on the money; out-of-pocket Quadrant. We saw that special - okay, let me say. At least I saw that the marketing recommendation is a marketing that they provide for the group of the councillors.

Mr Abedian-----?-- Yes, please.

-----how can you say that?-- I - with my hand on my heart-----

In a situation-----?-- -----that is honestly that's what I believe.

In a situation where this is going to go to the records of Quadrant-----?-- Correct.

-----which on its face suggests that Quadrant had done work to the value of \$7,000 for Sunland which it hadn't done, it is false?-- It's not this amount. I know that you want to ask me to do something which I'm more than happy if you want me to say that, but honestly it's not the case because they said that they are short the money internally, and that is the advice that they have given, and this \$7,000 for us was the job that they have done, and we contributing.

For someone else?-- For someone else.

Not for Sunland?-- And that is why we put donation in-kind.

Oh, Mr Abedian, it's nonsense what you're suggesting?-- No, it is-----

Let's look at the document?-- It might be nonsense. In hindsight, if I knew that I'm sitting here, I would not have accepted it.

1

And what I'm suggesting to you is that any intelligent person, let alone an intelligent businessman, would know that this document being in the records of Quadrant might mislead other parties who saw it because anyone who looked at it would think that this work which had not been performed for Sunland had, in fact, been performed?-- May I answer that with another question?

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No, just answer the question, or the suggestion?-- Okay. The suggestion is wrong, Mr Mulholland.

You'd know very well that a document like that-----?-- Hand on heart, I believe in what I am saying and I'm not telling you a lie.

All right. So you - your position really is, Mr Abedian, that you accept full responsibility for the contents of this document?-- Correct, with a footnote. Not in isolation, with a footnote.

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Now, at-----

CHAIRMAN: We'll adjourn there, Mr Mulholland. 2.15.

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THE HEARING ADJOURNED AT 1.05 P.M. TILL 2.15 P.M.

THE HEARING RESUMED AT 2.19 P.M.

SOHEIL ABEDIAN, CONTINUING EXAMINATION:

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MR MULHOLLAND: Mr Abedian, you heard the evidence given by Mr Treasure in relation to the rates discount matter. This is a sum of \$13,822.45. What do you know of the attempt by Sunland to have this amount of discount allowed?-- Everything.

Well, you tell us - we know, you see, that - the evidence before the Commission is that a rates notice issued on the 28th of January 2004, the rates were due on the 2nd of March and paid on the 25th of March 2004 and then subsequently there was correspondence. This was in circumstances where Carn River had its address for service as Level 18, 50 Cavill Avenue which is where the rates notice went to. So what do you know about it?-- Mr Mulholland, in the latter part of your statement that is not correct.

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What isn't correct?-- The address of Carn River to be Level 18. The hub and number of application for the said project

which is Circle on Cavill that we received all of them issued by the Gold Coast City Council to P.O. Box of the Sunland Group. For some reason that rate amount may be in the value of in excess of \$400,000 of rates for the high rise division has been sent exactly to the P.O. Box office except the one which is Carn River.

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All I'm suggesting to you is that the rates notice went to the address that it was supposed to go to?-- It went to the wrong address, Mr Mulholland.

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It went to the address which was on the form which the Council received, that's been established?-- That's - that is established wrongly.

Righto. Well, no doubt you've got the form that was sent into Council?-- Correct. If you go through the subsequent development application that we have put in-----

No, no. No. I'm not interested in a subsequent development application. I'm interested in the form that Carn River or Sunland on behalf of Carn River notified the Council that the correct address was some other address than that which were on the Council records namely some other address other than Level 18, 50 Cavill Avenue. Now, where is the documentation, Mr Abedian?-- I can provide it to the Inquiry at any time-----

20

Sorry, you can provide it?-- Yes, I - we can provide-----

Well, why haven't you provided it? If this is a matter which is in challenge, the evidence has been - this matter has been taken as being raised with various witnesses during the course of the hearing and this hasn't been suggested in the past, you're saying you've got documentation indicating that the Council was notified in relation to this particular company Carn River that there was some new address not Level 18, 50 Cavill Avenue?-- All the correspondence from Gold Coast City Council goes to our P.O. Box.

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Look, Mr Abedian, the evidence - the evidence is that the rates notice went to the address that was notified to Council as the address it should be going to. After the property was purchased it went to - the Council was notified of the address and the address was Level 18, 50 Cavill Avenue?-- That's not correct, Mr Mulholland.

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Well, that's what the form says?-- The location of the office is different to the P.O. Box which is for the correspondence of the company.

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Yes. But I'm suggesting to you that the Council was notified that the address was Level 18, 50 Cavill Avenue. That's the form that went to the Council. I think it's form 24. If you have some evidence suggesting that the Council were notified of some other address in relation to this rates notice then please tell us about it?-- That's exactly what I'm trying to do.

Well, you would have - your lawyers would have raised this matter with you, you've had all the time in the world to produce the document. Where's the document?-- Do you want me to provide it to you? 1

Yes, we do want you to provide it?-- May I go?

You have it here?-- Yes.

May the witness----- 10

CHAIRMAN: Yes, certainly?-- May I?

Yes, certainly. Just bring it over to the witness box, Mr Abedian?-- I don't think they're on the file, Mr Mulholland, I apologise. I have to go to another file, if I may.

We can get the other file for you.

MR MULHOLLAND: This document that you've provided is headed "Details of Correspondence to or from Council Related to Carn River Pty Ltd" and you indicate various dates of correspondence. Take it back. Is that correct?-- Correct. 20

Nothing about rates notices?-- Yes, sir. If you go through that you will see the day before, that rate day, every correspondence went to P.O. Box except the rate notices.

Except the rates notice?-- That shows that they knew where the area is that they have to send every correspondence to - to Sunland office. 30

Mr Abedian, what I'm putting to you is that form 24, property transfer information, was conveyed to the Council in or about September of 2003 indicating that the address was Level 18, 50 Cavill Avenue?-- Mr Mulholland-----

That's the address and that's the address to which the rates notice went. In other words, in accordance with Council obligations the rates notice went to the address that it was supposed to go to?-- Usually the - is always the postal address and it is the address of the company. 40

Well you understand the point that I'm making?-- Sure.

That there is a form which is provided in relation to this matter where there has been a transfer of ownership and a form indicated that the address was Level 18, 50 Cavill Avenue, and that's where the rates notice went to?-- That is why, Mr Mulholland, I disagree because it didn't go to Sunland. It went to Falcon Group. 50

This Falcon Group is a reference to a letter from the Falcon Group to council late in the piece in which it was indicated that - when I say "late in the piece", the 20th of September 2004 - a letter from the Falcon Group went to the Gold Coast City Council saying, "A rates notice was addressed to Carn River Proprietary Limited, Level 18, 50 Cavill Avenue, Surfers

Paradise. We believe the rates notice was delivered to our office but we did not recognise the name "Carn River". Unfortunately by the time the letter was redirected to Sunland through the internal business - building management - it arrived too late for Sunland to pay the discount?-- Right. That's exactly my point, Mr Mulholland.

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Now that letter was a letter in September 2004. Before we come to that the point which you seem to have failed to recognise, Mr Abedian, is - or acknowledge - is the fact that the rates notice went to the address which it should have probably gone to having regard to the notice which had been given in relation to the property?-- That is exactly my point, that's not correct. Mr Mulholland, if you are living in a apartment building and the address is 230 [Indistinct] Parade it is three apartment in one building and they give the rate notice to another one and it's not reaching your address is it the fault of the ratepayer or is it the fault of post office or the council?

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Look, I'm not going to go down that track. I've tried to give you the opportunity to address the point that I've made. You've addressed it by referring to this other correspondence. What I want to take you to now is what do you know about the attempts by Sunland to have that rate discount allowed?-- It was, Mr Mulholland, the principle of it. The - I heard about it from Mr Brown which is the head of the Highrise and Design Division of the company-----

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Yes?-- -----saying that he received an inquiry from the Gold Coast City Council in regard of the late payment and they delivered the rate notice after his inquiry, "Where is it?" They said they sent it to Falcon Group or to somebody in Level 18 and he didn't receive that. Based on that I felt very strongly about that - that we should bring that to the attention of the council. I personally contacted the mayor and I expressed my view about that. And a meeting was held by the finance committee, I understand, which Councillor Crichlow, Councillor Sarroff, Councillor Power and the Mayor and Molhoek attended this meeting. The representative of our company, the general manager Anne Jamieson and David Brown - they went to that meeting and they expressed their wish and their view to put the whole thing in order to say-----

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Were you present?-- No, I wasn't.

So this is something that they've told you?-- I have a written statement from both of them.

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Right, well we'll come to that written statement?-- Sure.

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I'm interested in dealing with what occurred earlier in 2004 first. You would be aware of correspondence from Sunland to the council and you would be - do you have a copy of the correspondence there?-- No, I don't have it here.

Do you know that Mr Brown wrote to the council by letter of the 26th of March 2004-----?-- Yes.

-----saying above the heading "Re Notice of creditors to instigate legal proceedings" - so in other words, a notice had been indicated of an intention to instigate legal proceedings - "We paid the discounted value within two days of receiving the notice and seek council's consideration of relaxation of the additional rates and charges under these circumstances."

Now that's what the letter says. In fact, however, can I suggest that the - that the rates that were paid, the discounted value were not paid within two days, this same letter indicated that the rates notice was received by Sunland on the 16th of March 2004, two days of receiving the notice would have made it the 18th. In fact I'm suggesting to you that the discounted amount was paid on the 25th of March. That's the first thing. Did you know that?-- Mr Mulholland, my records show definitely different than your statement. My record shows that on 16th of March we received a rate notice, on 18th of March we have paid the rate notice.

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Right. What are you-----?-- Two days after.

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What are you relying upon to suggest that you paid it on the 18th? Is it a statement or what are you relying upon?-- It is a statement from our company.

Right. Now, did you also - do you also know that Sunland later wrote a letter under the hand of Mr Brown of the 31st of May 2004 indicating this. "I refer to your letter of the 6th of May received by us on the 25th of May advising that you have rejected our request for a review of the discount of \$14,489.89 on our rates notice. Please be advised that our postal address is P O Box 1301, Surfers Paradise, and not Level 14, 50 Cavill Avenue, Surfers Paradise." Now by this time the address of the Sunland Group was Level 14, not 18. Is that correct?-- Correct. Correct.

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Is it also correct that the relocation from Level 18 to Level 14 had occurred in February 2003? That was-----

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CHAIRMAN: You're nodding, Mr Abedian. It's necessary to speak so it's recorded?-- Yes, yes. Sorry, my apologies.

MR MULHOLLAND: And the point that was made in a subsequent letter, a letter of the 18th of June 2004 from Sunland to the council was just that, that Mr Brown again said, "We relocated from Level 18 to Level 14 in February 2003 which unfortunately made it even more difficult to obtain a notice. We normally receive council correspondence to our P O box address including rates notices for all other properties." Now that's the point that you've been making today?-- Correct.

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This was a point made in the correspondence with council, wasn't it?-- Correct.

What steps were taken by Sunland when it moved from Level 18 to Level 14 to ensure that correspondence would be picked up?-- That is what I'm trying to explain, obviously I can't,

to say that everything single correspondence from Gold Coast City Council in any of our project comes to our P O box.

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Yes, but-----?-- And even in regard of Carn River, many of the approvals previous to the rate notice came to our P O box except the one that you are referring to.

Yes, but what I am trying to communicate to you obviously without success is that the council sent the notice to the address that it was supposed to in the absence of specific notification of some other address apart from that which had been given in the formal notice form 24. Do you follow what I mean?-- I don't know where - what you want to hear from me but Mr Mulholland, my-----

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You may just say that you have not had anyone explain to you, whether it be your lawyers or anyone else, that there is a form upon which the council acts when it sends its rate notices. It sends it in compliance with the address shown on the form. Do you mean to say no one has ever explained that to you?-- No, I don't need anybody, Mr Mulholland, to explain it to me. I am paying so much rate in that council that it's not the first time that somebody explain to me. And I'm trying obviously to explain something unsuccessfully, to say in regard of this project, Mr Mulholland, every correspondence from the Gold Coast City Council went to our P O box. For some reason, except that they sent it to Level 18. But they even give it to the wrong company.

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Mr Abedian, have you also had explained to you and do you appreciate that the law in relation to discount being allowed required that it only be done in circumstances where it was beyond the control of the person concerned, and the person in this case is Carn River. Do you understand that?-- I very much understand it.

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Right?-- But it did not receive the rate payment because it went to different company. I don't believe that Sunland can be responsible for that.

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So what you are saying is that you agree that Sunland, including Carn River, had relocated in February 2003 but you are unable to tell me of anything that the company did in order to ensure that there was any change in the address that any rates notice would go to?-- All our address is our P O box, Mr Mulholland.

Yes. Now you've referred to this letter of the 20th of September 2004. What connection is there with - of your company with the Falcon Group?-- None whatsoever.

50

Do you know a gentleman by the name of Lloyd R Ross, managing director of that company?-- We have sometimes met each other in the lift.

Right. Well, did you meet in the lift or anywhere else and have a discussion in relation to this letter that was sent to Council in September of 2004?-- Never.

Never?-- Never.

When did you first know of this letter being sent?-- From Mr Brown.

From Mr Brown?-- Correct.

Well, surely you would know whether anyone from Sunland had had some conversation with Mr - with this gentleman, Mr-----?-- Ross?

10

-----Ross?-- I assumed that Mr Brown did.

Well, have you spoken to Mr Brown?-- Every day.

Well, did you obtain a statement from him?-- Yes, it is here, sir.

When were these statements obtained? Stay there. When were these statements obtained?-- The statement of Mr Brown?

20

Yes?-- Just to come for this inquiry. I asked him to put everything in writing, his recollections.

So, what, has this been in the last few days or few weeks or what?-- I assume in the last few weeks; correct.

May I see that? Stay there. Now, you say that you have met Mr Ross. Did you meet - had you met Mr Ross before the 20th of September 2004?-- I assume so, yes.

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Why do you assume so?-- Because you don't know if you're coming in the lift is it 20th or is it 18 or 15; you meet with the people just by chance.

Did you know Mr Ross when Sunland was occupying level 18?-- As a neighbour; correct.

Right. But you'd never had any conversation with him in relation to whether or not he received the rates notice?-- Never.

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And not even after?-- Never.

But you believe Mr Brown has had contact with him?-- I'm guessing because they have sent a letter to the Council.

You're guessing. I thought you said that it's in this letter or statement of Mr Brown?-- I don't know if he met him or called him. That is why I don't know, but we know that the Falcon Group based on the request, they sent a testimony to say that they received the rate notices.

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Yes, but I'm just trying to understand how this person, Mr Ross, came to write this letter, and there doesn't seem to be any reference to it in this statement that you've provided us with from Mr Brown?-- What - what do you mean by that?

There's no reference to any contact between Mr Brown and Mr Ross. I thought you were indicating that there had been?-- Obviously somebody contacted Mr Ross to say, "Can you write this letter for us." Mr Ross wouldn't come from out of the blue and say, "Guys, I have written a letter that you wanted to send to the Council."

Well, that's what I'm trying to discover, you see, Mr Abedian; who was that someone within Sunland who contacted Mr Ross?-- That is what I try to say that it was Mr Brown. He was responsible person.

All that the statement says is "The Falcon Group, the current tenants of the 18th level of 50 Cavill Avenue, wrote a letter to the Gold Coast City Council, as did our receptionist, Sue Wiltshire. Both of those letters were sent to Ray Stevens." That's all that was said in the statement?-- Correct.

This person, Mr Ross, do you know whether at the time that he wrote this letter he was, as the letter reports, to say that he was the managing director of Falcon Group Proprietary Limited?-- No, at that time I didn't know.

You see, the curious thing, I suggest to you, Mr Abedian, about this letter is it's dated the 20th of September and searches have shown that Mr Ross ceased as director and secretary on the 13th of August 2004, well over a month prior to writing the letter?-- I don't know.

He wasn't even what he purported to be, according to the searches which have been conducted?-- I'm not aware of that, Mr Mulholland.

But you seem to say that this letter provided some support for your case to receive the rates discount?-- Well, my point is, Mr Mulholland, the justice was supporting my action, not one individual, being the managing director or non managing director.

In circumstances where the law required that they be beyond the control, the circumstances be beyond the control of the company, Carn River, and where you are unable to tell us of any notification that had been provided to Council after you relocated early in 2003. I'm suggesting to you that there were no such circumstances.

MR NOLAN: Look, I'd like to object to that; that's a question of law. He's been asked some questions in the past, I haven't objected but this calls for an opinion of law and he's not qualified to give that.

MR MULHOLLAND: Well, it's a fact.

CHAIRMAN: It's a bit difficult for this witness to answer in any way, I think, Mr Mulholland, isn't it?

MR MULHOLLAND: Yes, all right.

CHAIRMAN: It's a matter for the Council.

MR MULHOLLAND: Come to the Council meeting. First of all the committee meeting on the 9th of November 2004. Did you have anything to do with the stance taken at that meeting by any representative?-- No, Mr Brown came to see me and said, "What do you want to do about it?" I said, "It is the matter of principle." They sent it to the wrong address and we should receive the - a month that we are entitled to.

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Now, your knowledge of what happened at that committee meeting in so far as Mr Brown is concerned and in so far as Ms Jamieson is concerned comes from these statements that you obtained. Is that right?-- I knew that they are going to attend that meeting but what the contents of the meeting was, I heard from them later.

Yes. Now, the full Council met on the 22nd of November 2004, didn't it, and in between that there was the donation of \$7,700 that was paid by - by Sunland to Quadrant?-- Mr Mulholland, I believe it is beneficially for the inquiry to at least ask the question what it was said in the finance committee by the representative of Sunland.

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We've heard what was said-----?-- It was lies what you have heard.

What was lies?-- What Councillor Crichlow has said.

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Why do you say that? You weren't present. How can you comment on what she has said?-- Because I have read in the paper what she has said about that and I know-----

Well, what do you disagree with?-- Ms Jamieson is the general manager of the Sunland Group. She went - and I have the written statement by Ms Jamieson to say that we are a good corporate citizen in this area. We believe we are paying a lot of money to the charity. We believe these are money that we are entitled to - should be given back to us and we are happy to support any charity. In turn, Councillor Crichlow turned that around to say that Ms Jamieson threatened that if we don't get the rate discounts, we are not going to support the charity any more in the Council. That is exactly the point that I was raising before, the break about lies.

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Well, whatever can be taken from the conversation, Councillor Crichlow has given her version of it. You weren't present and any knowledge you have of what occurred there comes from your employees; is that correct?-- No, she is my wife, Mr Mulholland.

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Well, she's your wife?-- She would never lie to me.

Any rate, you have spoken of what occurred at the committee meeting. What I'm asking you about is the \$7,700 which was paid between the meeting on the 9th of November, which was the committee meeting and the full Council meeting of the 22nd of

November. Now, you would have well appreciated, at the time that that donation was made, that this matter was before the Council?-- To be honest with you, no, but it seems to be at the same time. And Mr Mulholland, if I may, a person that his entire life is about the dignity of every day action that he does, a company that he's contributing more than three-and-a-half million to charity, do you genuinely believe in your heart that we are going for \$7,700, sell our soul to get a discount that the entire of the amount of the money we donated back to the charity? Do you genuinely believe a person with the smallest dignity would do something like that?

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Mr Abedian-----?-- Yes.

-----I haven't suggested that you would sell your soul for anything. What I'm suggesting to you is the perception created by the fact that in the middle of this decision-making by committee and Council, you donated \$7,700 to an election campaign fund and I'm asking you, did it not occur to you the perception that that would create if it was publicly known?-- Mr Mulholland, I am trying to respond to say that I do not believe the full Council meeting was even aware of \$7,700. How could they make that connection if they are not aware of that.

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Look, I'm not suggesting they were aware of it. That's one of the points-----?-- Yes.

-----implicit in my question. What I'm asking you is, did it not occur to you the public perception that might result if people generally knew that whilst this decision was being made, you were donating \$7,700 to the election campaign fund which was used to support some councillors?-- And I'm trying exactly to-----

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Or some candidates?-- I'm trying exactly to say the same thing, the reason that I'm sitting here is the view of the public about lies that three councillor have brought us to this point.

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Did you ever - did it ever enter your head when you had the representatives or your representatives at the committee meeting on the 9th of November or when you pressed for this discount, that there was a problem of perception created by you donating \$7,700 at about the same time? Did that ever enter your head?-- No. No, Mr Mulholland.

Never concerned you?-- Never concerned me because I know what I'm standing for.

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Now, you tendered a further meeting of Council on the 28th of February 2005; is that correct?-- Correct, Mr Mulholland.

And this was in relation to your decision to donate back this sum of money or maybe a little bit more?-- Mmm.

How much was donated to-----?-- In excess of \$15,000.

\$15,000. Well, you say "in excess of"?-- Yes. I can tell you exactly the amount if you wish to know that.

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Please?-- Was \$15,236.28.

Right. Now, that was - when was the decision to donate that money made?-- When Ms Jamieson made the presentation to the finance committee that if we are successful to get it what we are entitled to the amount will go back to charity.

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So you looked on this, did you, you put it, as a matter of principle?-- Very much so. Mr Mulholland, would you like to know why the discount was 13,000 and we paid 15,000?

Well, if you wish to tell us, please do?-- The first rate issued that is came was categorised in different area such as sewer, water, connection fees and the second one that is came it was less than the first rates in tune of \$2,000 and we decided not to have anything that they tell us why not we contributed the exact - exact amount that we were in credit. They miscalculated the first sum versus the second one.

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Right. Okay. Now, you're aware of evidence given by Councillor Crichlow as to what occurred at that meeting?-- Correct.

And I wish to ask you to address what she says occurred. She says that when the cheque had been passed over that there was a conversation between you and her, that you came over and made some comment like, "Are you happy now, see I paid the money back in full." Did you say something like that to her?-- Yes, I did.

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Which was true, that's what had occurred. Were you aware at the time that Sunland pressed for this discount to be received by Carn River - were you aware at that time that there was a Council recommendation against the discount being granted?-- An officer recommendation, that's correct.

Yes, the officers?-- Yes. Of the Council.

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Yes, thank you. Perhaps before sitting down we might take those - and I should tender those documents which have been produced, those two statements.

CHAIRMAN: Yes, and the list of correspondence as well?-- May I - am I - Mr Chairman, am I-----

Yes, certainly?-- I believe it should be noted here that why the recommendation of the officers was different to our view because they said wrongly - and I'm sure that the lawyer of the Council could testify on that - that they genuinely believed Falcon Group is part of the Sunland company and they believe they send it to the right address.

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MR MULHOLLAND: So there's two statements and the correspondence index?-- That is Anne Jamieson's statement, that is the correspondence.

Do you need those statements back?

CHAIRMAN: I'll make - yes, you want to tender both of those? Yes. Sorry, Mr Orderly, I was thinking of something else. I'll make the statement of David Brown Exhibit 264.

ADMITTED AND MARKED "EXHIBIT 264"

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CHAIRMAN: The statement of Anne Jamieson 265.

ADMITTED AND MARKED "EXHIBIT 265"

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CHAIRMAN: And the Carn River rates issue key dates Exhibit 266.

ADMITTED AND MARKED "EXHIBIT 266"

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CHAIRMAN: I just want to have a look at this. Is this the one you said that all correspondence had gone to the post office box or is that another document?-- May I?

Yes, certainly. Yes, it was that one that I was-----?-- Yes. That is - that shows that every correspondence in regard of Carn River went to P.O. Box except one which is the rates notice.

Look, Mr Abedian, I don't want to take up a lot of time with this but I think there might be quite a simple explanation as to why that occurred. You moved your premises from the 18th floor to the 14th, was it, back in early 2003. You then purchased - Carn River purchased this property according to Council documents in October 2003. The people responsible for doing the transfer for your companies put what's called a form 24 in to the Council which they're required to do. It's a formal document to advise the Council of the details of it and on that it provided the - what was by then an out of date address of Level 18 instead of Level 14 or instead of your post office box number. The - all these other documents which are sent to the P.O. box, none of those are rate notices, they would obviously have been from other areas of the Council, a hoarding application, a pedestrian easement document, hoarding details et cetera. The rates section is obliged to send the notice to the address shown on the form 24 which - whoever did it for your company showed it as Floor 18 which was the wrong address so they sent it as they were required to, to floor 18.

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You were no longer on 18 so it went to the occupant of 18 namely Falcon. That was the point of the officers, that they sent it where they were required, it was an error by whoever sent in the form 24 on the part of your company. They put in floor 18 whereas by that stage you were down on floor 14 and perhaps they should have put your post office box address anyway. So it seems to have been a misunderstanding on your part but on the face of the documents it would seem that the Council officers did the right thing.

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MR NOLAN: Could I just add one-----

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CHAIRMAN: I mention that to you to give you the opportunity to comment on that because that's how I see the evidence at the moment?-- Mr Mulholland, if you could - sorry.

I'm not Mr Mulholland - that's all right?-- I try to talk always and that is why your name came out because whenever I respond-----

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MR NOLAN: Mr Abedian, just one question though - just to add to that running commentary-----

CHAIRMAN: Just excuse me.

MR NOLAN: Just to add to that commentary, could we just factor into it also is it not the case that the Falcon Group got this correspondence which clearly didn't belong to them and, at best you can tell, did not return it to the council as "Unknown at this address"-----?-- Correct.

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----- and simply sat on it?-- Yes.

Now these are things not known to you at the time?-- Correct.

MR MULHOLLAND: Well Mr chairman, I object. That's not something that the witness, in view of the evidence that he's given, he can speak of. He's asking him as to whether or not this is what Falcon Group did.

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CHAIRMAN: Well, they probably did, Mr Mulholland - they probably did but again that's understandable.

MR MULHOLLAND: Well we don't know because the terms of it are "We believe".

CHAIRMAN: Yes.

MR MULHOLLAND: And we don't know. And my objection is a suggestion that this is what occurred when the witness has to said that he has any knowledge of that - any personal knowledge of it.

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CHAIRMAN: It's very likely that is what did occur but, again, it's understandable because -----

MR MULHOLLAND: Well I won't bog you down with it.

CHAIRMAN: -----because do you - it was delivered to Floor 18 which it shouldn't have been if the correct address had been given.

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MR NOLAN: Well it doesn't appear to have been. Well perhaps I should rephrase the question: is there anything you've seen that's inconsistent with them having sat in it - the Falcon Group?-- The Falcon Group is a finance company that is arranging finance for many different ventures and some of them may be - and I'm just guessing - I'm not making a - saying a statement that is true - I'm just guessing that because they have so many clients with the different companies and maybe they thought that is one of their clients with the name of Carn River. I don't know.

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You don't know. I won't take it-----

CHAIRMAN: But you can't blame them. The error was -----

MR NOLAN: I'm not, I'm not, but-----

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CHAIRMAN: -----in Carn River in not giving Floor 14 instead of Floor 18.

MR NOLAN: This may be better dealt with in submissions. If I make it clear to you I'm not try to blame them-----

CHAIRMAN: No.

MR NOLAN: -----but it's been put to him that the issue is whether they were at fault. Sunland's point is, "We're not at fault. It went somewhere and wasn't sent back to the correct person." I mean, that's - it's really probably semantics. Anyway the money was donated to charity so I don't - it may not be something to be greatly worried about. At this stage I've got no other questions but subject to what's asked down the line-----

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CHAIRMAN: Sure, certainly. Yes, Mr Temby?

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MR TEMBY: Mr Abedian, it's true to say, isn't it, that you caused your company, Sunland, to contribute towards election expenses before the Gold Coast City Council Election held in late March 2004?-- You are referring to \$10,000?

Yes?-- Correct, Sir.

That was a contribution towards election expenses?-- Correct.

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And it's true to say, isn't it, that you caused Sunland to contribute towards such expenses after the election also?-- Correct, Sir.

And you did that or it did that indeed in relation to two failed candidates?-- Correct, Sir.

And you were, I think, the chief decision maker in the process by which those various contributions were made?-- Yes, Sir, I helped with that.

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Yes. And I suggest that you made those decisions because you have a particular view about the value of democratic institutions?-- Very much so.

And that's a strongly positive?-- It is actually inherent in my being, otherwise I would have stayed back in Iran.

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All right. Now on a different topic, have you ever sought preferential treatment from Councillor Power, for whom I appear, on your own behalf, ever?-- I'm sorry, I don't know your name.

Temby's my name?-- May I answer it in different way to say that I'm active 22 years in the Gold Coast City. I founded the company. They have grown from this city to a National and now an International company. In 22 years it would be warrant for an inquiry like that if one officer of the council, one elected member of the council, when we were the only hotel owner in that city - a bit later we owned lots of Versace - wants to come to us and say, "Sir, can I have some discounted rate with staying Versace? Is it possible that maybe I have one meal with you over there. I've heard that this hotel is that hotel." Not in 22 years one single person even attempted to have one benefit. I'm talking about the councillor that you are representing. Actually he spoke against me because whenever is the Sunland of every issues that is happening they all make sure that we don't get any advantage over anybody else and I welcome that. I've been the King of speaker on the urban development of the Gold Coast City Council and I said to the city architect, "Don't ever, as long as you sit there, compromise with any developer. Make the city a city that we are, our children and our grandchildren, are proud of." I am a person that is teaching ethics to more than 500 students every year to tell them how they should behave their life. My father used to tell me that, "Every morning, Son, when you stand at the front of the mirror, make sure that you bring that person inner calm, that he did everything right or wrong." This inquiry is positive if we can find out about the truth of three councillor that they tell lies after lies after lies. Not the others. They others - they been 100 per cent in their ethics. Even if it is - like my country, they put me at the front of the firing squad I be not very proud of my statement that none of them ever said "Sahiel, do that for me and I give you that" and I don't want that. I don't want that because I believe our city by far is better than that to give one person advantage over the others.

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I think you have at some length answered my question but see if you can answer it shortly: have you ever sought any preferential treatment at any time from Councillor Power?-- I believe I responded the other way around that he is working against us, not for us.

Answer my question, please?-- Never.

Thank you?-- Never.

Has he ever proffered any financial advantage to you?-- Never.

Thank you. And do your answers apply equally to the Sunland Group and all companies within it as they do to you?-- A hundred per cent.

Thank you.

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CHAIRMAN: Mr Radcliff?

MR RADCLIFF: Mr Abedian, I appear for Councillor Shepherd. You've been asked a number of questions about this invitation. Do you still have it with you there or-----?-- No, I don't.

I can lend him-----?-- I know that by heart.

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All right. Fine. Mr Abedian, Councillor Shepherd, through his campaign group, sent this to you in mid-October 2003, and you decided that you would provide him with funds in support of his campaign. If you look at the flyer it says it's a donation of \$40 per head?-- Correct, sir.

So he was eliciting from you and your group that you purchase tickets to a function?-- Correct, sir.

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And when you sent him the \$2,000, his response was, was it not, that he provided you with 50 tickets-----?-- Correct.

-----to the function?-- Correct, sir.

And some members of your organisation went to that function?-- Correct, sir.

And you offered some of your associates and business confidantes an ability to use these tickets?-- Yes, sir.

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So it was a transaction to purchase tickets, not a donation per se?-- Correct, sir.

Now, you spoke earlier that after the conversation that you had with Robbins or Power, you had no communication with them after you made your payment until after the election. Can you recall saying that in evidence-in-chief?-- Correct, sir.

I ask you now to turn your mind to Councillor Shepherd?-- Yes.

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Did you - after you'd bought these tickets from him pursuant to this function, did you have any further dealings with him between then and the election itself as far as you can recall?-- Even before that I didn't have any dealings.

Now, you spoke about the fact that with every project - if you're doing a project in, for example, division 5 or division

3, you would speak to the councillor in that electorate, or someone from your organisation would speak to the councillor before you'd start your process of going through with the investment that you undertake. Is that right?-- Correct, sir.

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Is it true that you do so from the point of view of costs and to ascertain and obtain an early indication as to how the council will react to your proposed venture or development?-- That is correct, sir.

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And you do so on the basis that it gives you - or gives your company an early indication without that councillor having been bound in any way to perform any act or to assist you, but to give you an indication of how he would react to a - he or she would react to the proposal that you're going ahead with?-- That's correct, sir.

And when you do this, is it correct to say you do so without any hope or expectation of any benefit from that councillor?-- Councillor Young is present and can testify to that.

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And, in fact, is there - and now I'll deal more specifically with Councillor Shepherd. You're aware that he is the chairman of the town planning committee of the council?-- Correct, sir.

Is it not unusual for representatives of Sunland to communicate with Councillor Shepherd direct rather than an individual councillor in a division to ascertain his view on your proposals?-- I'm not aware of that.

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You're not aware of it. All right. But it would not be unusual to you, or to find that developers come to someone such as Councillor Shepherd because he is the chairman of the town - the planning committee?-- They should do that. That is part of the brief that they have to contact everybody that they are responsible for.

And they do so to ascertain what his views generally would be about that style of development or that type of development in that area?-- Correct, sir.

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Once again, without looking to see that he is bound to do something after that?-- Of course not.

Similar to Mr Temby questions, the payments that you made to buy the tickets from Councillor Shepherd for Councillor's Shepherd's function, was that done by you with the view that you would obtain a benefit from Councillor Shepherd at any time?-- That is ridiculous even to suggest.

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Thank you. And, lastly, do you suggest that as a consequence of this you hoped that Councillor Shepherd would provide you with some assistance in the future?-- Never.

I'll only touch very briefly on this rates circumstance. Mr Mulholland suggests to you that the - there was some relevance

about this \$7,700 donation occurring at a time when the council was considering your rates discount that we've heard about. Yours is a large organisation, is it not?-- Mmm-hmm. Yes, sir.

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Mr Treasure gave us details of how big it was. You adopted those - that evidence that he told us about the number of companies and the number of properties?-- Yes, sir.

Yes. So it could well have been that the \$7,700 was being dealt with on one hand, but other parts were dealing with this rates discount. Is that the case?-- That is 100 per cent the case.

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Thank you, Mr Abedian?-- Thank you, sir.

MR DE BATTISTA: I will be nominally brief, Chairman. Mr Abedian, I represent Councillor La Castra here today and there are a handful of questions I need to ask you. At the outset can I make it plain that I'm not making any implications about yourself or wishing to cast any suggestion of impropriety on you by asking those questions?-- Sure.

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At any stage - at no stage has Councillor La Castra ever asked you to donate funds to another councillor or to another candidate for election to the Gold Coast City Council, has he?-- I never had any discussion with Councillor La Castra about any issues.

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And so if I could just confirm in that case, he would never have, for example, suggested to you that if you were to donate money to a certain fund or to a certain candidate that that person would be obligated to vote for you or to support Sunland on issues that came before council?-- Never.

Now it is the case, isn't it, that Councillor La Castra, Councillor Young and Councillor Shepherd all have within their divisions a part of the area of Nerang. That's the case, isn't it?-- Correct.

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And so it might be the case, mightn't it, that if there is a development that Sunland was pursuing in Nerang it might well be the case that they might raise issues with all three of those councillors because it might impact on more than one division?-- Correct, sir.

And so you would see nothing improper, for example, in those circumstances about talking to Councillor La Castra or Councillor Shepherd about a matter which was in fact for a development which was in fact located in Councillor Young's division?-- Could be, sir.

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Thank you.

CHAIRMAN: Mr Nolan? Sorry, Mr Clarke.

MR CLARKE: Yes, I'm sorry, Mr Chairman, but-----

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CHAIRMAN: If you could come up to the microphone thanks, Mr Clarke, so it can be recorded.

MR CLARKE: Is this okay? Because my counsel isn't here.

CHAIRMAN: No, no, that's fine.

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MR CLARKE: Thank you very much. Mr Abedian, just two questions. I just wanted to make very clear before - ask you this question. Did you ever - did we ever meet before the election in any way? Do you remember us meeting at all?-- Yes, sir.

When was that?-- It was in a function for Salvation Army that you were a keynote speaker and in that function you donated a number of the posters from the Olympics that it was going many, many years back which I don't recall what year was it, and I was successful bidder of those art work and I donated back to Salvation Army and we did view that another person should buy that we can - that Salvation Army can have more money raised and you been gracious enough to buy your own posters and give them another 10, \$15,000.

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Yes, I remember that. It was back in 2000, before the Sydney Olympics?-- Correct.

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So it's about four or five years ago?-- Correct.

You paid about 20,000 and I paid about 10 so they got a very good deal. Were you a supporter financially in kind, any way, of anything in my election campaign? Were you financially?-- I was against you, Mr Clarke. I was a supporter of Gary Baildon.

Yes, thank you. In fact you paid it after the election was over, you even supported him?-- \$18,000 for Councillor Baildon.

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Thank you, Mr Chairman.

CHAIRMAN: Yes, Mr Nolan?

MR NOLAN: Just two things. I'll hand up a bundle of documents if I could which are the correspondence that really needs to go with those statements that we gave you. You may already have them in different forms but if we put it into order so that it - it goes with Brown's statements, a bit like annexures. And just one. Is there anything else that you want to add with respect to the - your understanding of the terms of reference as far as the Commission is concerned or do you accept it?-- Peter, I am - really it is my ardent hope that the end of the inquiry will bring some stability to our

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city which I am really one of the biggest promoters of the city and I hope that the public and the ratepayer, they really do understand that the real fault lies within the city. You know, I know over 22 years-----

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I did-----?-- If I may finish that.

Sure?-- Over 22 years I have met many representative of the council which some of them I have a huge respect for, for some I don't, but interesting enough out of all these statement that have been said to the inquiry one of the statement is I hundred per cent concur to, and that is the statement of Dawn Crichlow in regard of the council not being corrupt but smelly and I can share with you, I hope, that these investigations will find out where the smell come from, and that is hundred per cent from the three councillor, Young, Crichlow and Sarroff.

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Good, thank you. That's all I have. If there's nothing further could we be excused.

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CHAIRMAN: Yes. Just hold on, I'll just - this is the rate notice, the correspondence that Mr Mulholland referred to. It seems to be the whole box and dice with respect to it so we'll make that Exhibit 267.

ADMITTED AND MARKED "EXHIBIT 267"

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ORDERLY: Mr Chairman, during this period of this witness docket 51 has gone out and has not come back in.

CHAIRMAN: Docket? You mean Exhibit 51?

ORDERLY: Exhibit 51.

CHAIRMAN: No one leaves until they're searched. It's an e-mail, an e-mail. Are you sure, Mr Orderly? That's an e-mail from Grant Pforr to John Fish. I doubt if it's come out in this time though. It's not relevant to this witness.

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ORDERLY: Your Honour, I have an empty envelope.

CHAIRMAN: Okay. Well, we'll have to find it. Yes, thank you, Mr Abedian, you're excused. Thank you for your evidence?-- Thank you.

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MR NOLAN: Thank you.

WITNESS EXCUSED

CHAIRMAN: Yes, Mr Mulholland.

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MR MULHOLLAND: I call John Fish.

JOHN MERVYN THOMAS FISH, SWORN AND EXAMINED:

CHAIRMAN: Mr Fish, you're not legally represented?-- No.

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No. Okay. Thank you.

MS HAMILTON: If your full name John Mervyn Fish?-- No, it's Thomas well, just - Mervyn Thomas.

Thank you.

CHAIRMAN: We'll just let the witness settle down. Are you right?-- Yeah.

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Okay.

MS HAMILTON: Mr Fish, do you attend here in response to an attendance notice that was served upon you?-- Yes.

Could you have a look at this, please? Is that the attendance notice?-- Yes.

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Yes, I tender that document, Mr Chairman.

CHAIRMAN: It's Exhibit 268.

ADMITTED AND MARKED "EXHIBIT 268"

MS HAMILTON: Mr Fish, you were also served, were you not, with a notice to discover?-- Yes.

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And as a result of that, you provided the Commission with a handwritten statement?-- Yes.

And two documents. You have a copy of it there, I see. Could you have a look at this notice and at this statement, please? Is that the notice you were served and is that the statement you provided?-- Yes.

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Yes. I tender those documents, Mr Chairman.

CHAIRMAN: Exhibit 269.

ADMITTED AND MARKED "EXHIBIT 269"

MS HAMILTON: Now, Mr Fish, in respect of the documents you presented, they both relate to a contribution to Mr Brian Rowe's campaign, is that correct, in respect of \$24,000?-- Yes.

Now, is it the case that you have no other documents of any kind in relation to the other donations which you made during this election campaign?-- No, I don't believe so.

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You would - you have no bank statements, cheque butts?-- Well, I would have a bank statement to show, yes.

But you didn't produce it?-- I - I put down who I wrote cheques to.

Yes, well, did you read the notice to discover that was served upon you, Mr Fish?-- Yes.

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And did you notice that it required you to produce any documents relating to relevant issues including donations of this kind?-- Yes.

Well, why didn't you produce those documents?-- Well, I certainly can. I put this in and put my phone number on the back and said if you need anything more, please call me.

Yes, all right, then, Mr Fish. That was rather the purpose of the notice was to set out the documents that you were asked to produce. Will you search your records when you leave the witness box?-- I will - I will give you anything you ask for.

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And you will provide any records you have in respect of these donations?-- Yes, ma'am.

Thank you. Well, if we start with the donation of \$10,000 to Hickey Lawyers Trust Account on the 13th of February 2004?-- Yes.

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Can you tell the Commission how you came to make that donation?-- I was phone by Tony Hickey who - principally Hickey Lawyers are my attorneys in the majority of cases, and this conversation went basically along the lines of, "There's a fund being put together; there's probably 25 prominent business people, developers on the Gold Coast contributing; we'd like you to contribute."

Well, can you tell me when this conversation occurred?-- Early February '04. I got a subsequent follow-up call from Tony Hickey's secretary to request that I actually forward the \$10,000.

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All right. And in relation to this call in your statement you refer to the fact that Mr Hickey told you 24 other prominent businesses or individuals had been approached; is that correct?-- Yes.

And that the purpose of approaching these persons was to help keep a pro business campaign?-- Well, that's what I interpreted from the conversation.

All right. So he didn't use the words "pro business campaign"?-- I can't recall his exact terminology but it was in the sense of a pro business campaign.

All right. So 24 others were being approached to each donate 10,000; was that what you understood?-- Yes. I understood there'd be 25 people throwing in 10,000, yes.

10

And were you told anything about the candidates?-- No.

That this donation would support?-- No, not at the time.

Were you told anything about the involvement of any sitting councillors in the fund?-- I don't know. At the first conversation I don't recall but subsequent to me paying the \$10,000 in, I was contacted by David Power and he introduced me to Grant Pforr and to Brian Rowe, who I already knew.

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All right. Well, we'll come to that meeting in a moment?-- Mmm.

But in this first conversation with Mr Hickey, were any other councillors mentioned at all?-- I don't recall.

And you go on to say in your statement you were led to believe there was a well-funded, supposedly green anti-development team led by P Young, J Wayne, I Waring and K Coutts; do you recall that?-- Yes.

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And who told you that?-- I learnt that on my own volition.

This was not in the conversation with Mr Hickey?-- No.

When did you learn that?-- Just my observations.

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Well, have you got your statement there?-- Yes, I have.

This is all one sentence, it certainly seems to suggest in the statement that you are asked by Mr Hickey to donate and were led to believe-----?-- Well, maybe-----

-----as you were led to believe that there was a well funded supposedly green antidevelopment team?-- Yes.

Is that correct?-- It's - it runs on in my statement but they're not too - are not connected, no.

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All right. When did you first hear about this well funded green team?-- I - I deduced that on my own account.

Deduced it from what?-- Being a person that's on the ground that reads papers, that sees statements, that sees letters to the editor, that sees a reasonably well connected group of

people and it was my - I deduced that on my own account without having to be told about it.

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You deduced they were well funded?-- Yes.

Nobody told you that?-- Nobody told me that.

Well, how did you deduce that?-- Well, if - if I may say that - that was a deduction made at the - at the time of - of the Council running but I became more aware of it after I was - read the electoral donations when they were published, made public.

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So you think you may have gone forward here to something you knew later but may not necessarily have known at the time?-- That could be quite correct.

All right. Well, after this conversation with Mr Hickey what did you do?-- Nothing and I was followed up about maybe 10 days later with a request to send a cheque in which I did immediately.

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Who chased you up?-- His secretary.

All right?-- Sandy.

And what did she say to you?-- Something along the lines, "Tony said that you'll be sending in a cheque, we haven't received it," and I said, "I haven't sent it, I'll send it today," and promptly did so.

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And to whom did you address the cheque?-- I believe it was Hickey Lawyers Trust Account.

And who told you to put Hickey Lawyers Trust Account?-- Well, I may have deduced that that was what - where - who it was sent to or Sandy said make it payable - I don't remember who it was - but if it was going to go into the trust account and it was to Hickey Lawyers you would make it to Hickey Lawyers Trust Account.

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Had Mr Hickey in your first conversation discussed the fact that money would be going into his trust account?-- Yes.

Well, what did he say about that?-- Well, exactly that. Money's going into his trust account.

And why was that, did he say why?-- Well, if people - 25 people are going to put a group of money together you'd expect it to be going somewhere and as Tony asked me to make the donation I made it payable to his trust account.

50

Did he tell you to make it payable to the trust account?-- Maybe not directly, I believe Sandy may have told me that.

All right. At the time you first spoke to Mr Hickey did he tell you anything about who would be controlling the funds?-- I don't recall exactly at the moment but whether it was the

first phone call I can say that before I made the donation I knew that Councillor Power and Councillor Robbins were involved.

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Sorry, could you repeat that?-- Before I paid the money-----

Yes?-- -----I was aware that David Power and Sue Robbins were involved.

How did you become aware of that involvement?-- Perhaps it was from Tony Hickey. More than likely Tony Hickey.

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What - yes, sorry?-- Nothing further.

What did he tell you about that?-- Nothing - nothing particular, only that David Power and Sue Robbins were going to be in charge of the money and that was good by me.

That was good by you?-- Mmm.

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All right. So you knew both Councillors Power and Robbins?-- No, only David Power.

All right. What were you told about where the money would be going?-- I was told it was going into the trust account or a trust account which is where I paid mine and it was going to be used to fund candidates that were thought to be of a calibre that was - needed to sit on the Council.

And was this in conversation with Mr Hickey?-- No, this was with David.

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All right. Well, when did-----?-- Sorry. It may - I'll correct that. I think it was probably with Mr Hickey.

All right. When did you first talk to Mr Power about the-----?-- I believe it was February 24.

Before you sent the cheque?-- No, after the cheque.

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All right. So you were aware that Power and Robbins were involved before you sent the cheque-----?-- Yes.

-----but you hadn't spoken to either of them?-- Correct.

Is that-----?-- I've never in my life spoken to Sue Robbins.

All right. Now - and you believe that Mr Hickey told you, in your first conversation, that Councillor Power and Councillor Robins would be in charge of disbursing the funds from the trust account?-- Yes.

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All right. Is there anything else you were told in that first conversation about-----?-- No, not that I recall.

-----how it would work?-- No.

Now, you record that you paid the \$10,000 to Hickey Lawyers trust account on the 13th of February '04; is that correct?-- Yes. Well, around that time. I don't have the exact day but it was middle of February some time.

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Now, you - you'd be aware now of Mr Lionel Barden, I presume?-- I now know who he is, yes.

Yes. You didn't at the time?-- Never heard of him before in my life.

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And you'd never met him?-- Never met.

All right. But you are aware, in general terms, of the Lionel Barden so-called trust fund; is that correct?-- Be hard to miss that point.

Are you aware that Mr Lionel Barden put in a third party election return?-- No.

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Would it surprise you to know that he lists a donation from Fish Developments to the Lionel Barden trust account of \$10,000 on the 13th of February?-- Wouldn't surprise me.

Why is that? Did you make a donation to Lionel Barden's trust account?-- This - I put - the 10,000, I wrote it to Hickey trust account. Wherever it went, I had no control over that.

Well, you've told us you understood at the time you donated or shortly thereafter that Power and Robbins were controlling the funds?-- Right.

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You knew nothing about Lionel Barden?-- No, I didn't know about Lionel Barden.

But it doesn't surprise you that he put in a third party return including your donation?-- Well, it doesn't surprise me due to the fact that there was a trust that I've subsequently found is called the Lionel Barden trust account so, no, it doesn't - I put the money in, as I said, and that was what happened.

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Right. You've next listed a 5,000 donation to Gary Baildon?-- Yes.

How did that donation come about?-- Heard that Gary was not looking strong in his attempt to regain office and that he in fact was possibly looking down the barrel of defeat. I took it upon myself to write a cheque for \$5,000. I delivered it to the newsagency at Hope Island that he owns, completely unsolicited, Gary Baildon, personal, and he never asked me for it. And the only thing I got from it was a thank you note after the election.

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And it's obvious from that that you personally had no problem making direct donations to candidates in appropriate cases?-- If I chose - if I thought they were the right people, as is anything I do, I back - back my people to the - to the

end and I'd never met Ron Clarke before and I admired Gary Baidon and I thought he was a very good civic leader for the Gold Coast and he had some dignity. I'm not saying that Ron doesn't but you know what I mean.

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All right. You've next listed a donation to Grant Pforr of \$10,000?-- Yes.

How did you come to make that donation?-- I made it at - he came to my office at Hope Island and he came with David Power and Brian Rowe and-----

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They just turned up, did they?-- No, that was an appointment made.

Well, could you - could you start at the beginning? How did you come to make this donation?-- I had a meeting with David Power and Grant Pforr - I think it was 24th of February and I had never met Grant Pforr prior to that day. I spoke to him about this - the different issues-----

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Well, I'm sorry, how was the meeting arranged?-- I wrote the cheque out and gave it to him.

How was the meeting arranged?-- I think Tony Hickey rang me and said that David would like to come and introduce Grant Pforr to me and, obviously, I think he knew that I knew Brian Rowe.

Tony Hickey rang to say David Power wanted to come and see you?-- Yes.

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Mr Power didn't ring you himself?-- I don't think it was David, no.

Yes, perhaps, could the witness be shown Exhibit 51, please? Mr Fish, if you could look at that first document which is an e-mail from Grant Pforr to you. He says, "Dear John, I would like to set up a meeting with you to discuss Fish Developments you currently have going on the Gold Coast and in particular within division 3." Did you receive this e-mail?-- I may well have.

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Do you know if you did anything in response to it?-- I don't recall. I know that there was a meeting arranged, whether it was - I think the appointment had been made by Tony Hickey.

If you could look at the next - you may never have seen this e-mail. It's not addressed to you. It's from Donna Gates. Do you know who she is?-- David Power's secretary.

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That's right. And to Grant Pforr. "David has tried to contact you today but without success. He would like you, Grant, to attend a meeting with John Fish at John's office, Sickie Avenue, Hope Island, at about 2 p.m." And it's got hand-written on it, "2.30, February 23rd"?-- Right.

Now is that when you had your meeting? Does that accord with your memory?-- 23rd, 24th, some-----

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And it would appear from this e-mail that Mr Power was trying to organise the meeting?-- Well, that's what I said in my evidence, yes.

Yes, but he made no direct contact with you at all?-- The meeting, I'm sure, was organised by Councillor Power.

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Yes?-- I don't think I responded to Councillor Pforr's e-mail or even saw it.

I'm just wondering why Mr Hickey would be ringing you to organise a meeting for Mr Power?-- Well, it appears that - you know, that the two were linked together.

All right, well-----?-- You know-----

-----the meeting occurred at 2.30 on the 23rd of February?-- Very close to that time.

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All right. And who was at the meeting?-- Councillor Power, Brian Rowe and Councillor Pforr.

Did you know that Brian Rowe was going to be at the meeting?-- Yes.

And who had told you that?-- I believe it was - it was Tony Hickey.

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Had told you that Mr Rowe was coming-----?-- That - that Power was coming with - with Grant Pforr and Brian Rowe.

All right. And did he tell you what the purpose of the meeting was?-- To introduce Grant and to meet Brian again.

All right. Now, Mr Pforr was running in division 3?-- Mmm.

Is that correct?-- Yes.

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And is that a division in which you have business interests?-- Substantial.

Do you live there also?-- Yes.

And Mr Rowe was running in division 5?-- Correct.

Do you have business interests there as well?-- No.

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Well, what was the purpose of Mr Rowe coming along?-- Perhaps that he was very well known to me and we'd had a previous relationship through the school that he was the headmaster of.

Yes. But I presume the purpose of him coming to a meeting with you and Mr Power was to do with the election?-- Yes.

Is that correct? You knew that Mr Rowe was running against Councillor Young?-- Not really before February 2004.

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You didn't know he was running-----?-- No.

-----against Councillor Young?-- Not before February 2004.

Well, I'm saying at the time of this meeting-----?-- Oh, yeah, of course.

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And Councillor Young is a person to whom you have some antipathy. Is that correct?-- Could you explain what "antipathy" means?

You don't like him?-- That would be a fairly large understatement.

I may have been right in the first place then?-- Okay.

And you would rather Councillor Young were not on the council. You don't think he deserves to be there. Would that be fair to say?-- Yes.

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So you would have been very interested in supporting Mr Rowe against him?-- Well, put it this way. If Mr Rowe had come and saw me before he was running - decided to run for council, I may have suggested to him that there may have been easier places to win a seat than go against the sitting councillor as in Councillor Young.

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I don't think that really answers the question, which is, you would have been happy to support Mr Rowe against Councillor Young?-- I was happy to support Brian Rowe, yes.

All right. Well, can you tell us what occurred at this meeting?-- Well, it was a meeting that lasted probably - probably not much more than half an hour; discussed Grant's previous history; what he had been involved in; what he had done; talked around issues that I had personally with the council in that I believed that we had a previous council that Gary Baidon had tried to get some dignity and decorum in and was finding it extremely hard. I mentioned that there would be potentially further funding personally from me available to both candidates, and I think I discussed a matter relating to Councillor Young.

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When you say "further funding personally"-----?-- Yes.

-----does that mean that the funding through the trust account was also discussed?-- Well, that's principally why they were there, yes.

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Well, what was said about that?-- Essentially, I would have deduced that the moneys that I had paid into the trust account, mainly the 10,000, may have well been going to be split between Brian Rowe and Grant Pforr.

Well, how did you get that idea?-- Well, if I had knowledge that David was involved with the trust account and that he came and introduced two people-----

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You had assumed they would be-----?-- -----logically-----

-----beneficiaries of the-----?-- Yes.

-----trust account?-- Yes. I think it was discussed that there may have been money going to a person running in for council in Burleigh.

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Who was that? Do you know?-- Well, turns out to be Councillor Betts, and I believe that there was - I was informed that there was money being given to a Roxanne Scott.

Mmm-hmm. And what else was said about that?-- Nothing much really.

And who told you about Ms Scott and Mr Betts?-- I think it was David.

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And what did he tell you he was doing? What did he tell you about funding these candidates?-- That they were getting money distributed from the trust account.

Were any specific amounts discussed?-- Well, I assumed that there were 25 players and there'd be 250,000, so that's 60 grand each, or thereabouts.

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But that - was that figure mentioned at the meeting?-- No.

That was your assumption?-- Mmm-hmm.

All right. So Mr Power said money was being distributed from the fund?-- Yes.

And you at that time said you might be willing to personally donate further funding to it?-- Of course. Yes.

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All right. And did you make any commitment at that meeting as to how much you would donate to either candidate?-- No commitment. And I don't think it was really either of their business of how much I gave to either of them.

So you gave no indication at the meeting how much-----?-- No.

-----you might be going to donate?-- That's correct.

It was left on the basis that you would-----?-- Contact me if you Are requiring further funding.

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All right. You say the issues of Councillor Young were discussed?-- Yes.

What was said about that?-- I mentioned that I had had previous dealings with Councillor Young. I will make it very precise so that it's not misreported. It was before he was a

Councillor at the Gold Coast and that we had two objections that he had made to development applications that companies I was involved with had before Council and that one of them was his - was adjacent to his principal place of residence at Kopps Road, Oxenford and the other was at Sickle Avenue, Hope Island. I had made mention that he had objected to the Kopps Road application and that it had been quite a heated amount of irks between Mr Young and our company and I believe I added that it was adjacent to his principal place of residence and I believed that it was his absolute right and discretion to carry out that appeal and although things were heated I don't believe there was malice or vexatiousness in that particular encounter. However, if we go to the Hope Island where Mr Young objected to our rezoning application and then became a - I believe it's the respondent to Court

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Make it clear that when it's his own house no problem, he's got a right, and - but when it's 12 kilometres away and if you like I table this piece of evidence.

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Is this the chronology you prepared?-- Yes, if you have it - I think I've supplied it. Do you - do you have - sorry. Yeah, that's the original. I have a copy.

I'm sorry, what's the purpose of this document?-- The purpose of this document is-----

Just briefly, because this is not an issue-----?-- Right. Okay.

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-----that we want to go into in a lot of detail but-----?-- All right. I have had an interview with your Commission staff and they told me that it's possibly outside your jurisdiction, but it was brought in evidence the other day in Councillor Young - Young's evidence, that - particular cases, and what it was doing was to give you a chronological order of the dates these properties that were purchased at Copp's Road, Oxenford, namely lots 3, 4 and 7 and subsequently lot 6, but they were purchased in 1995. It runs you through a list of the potential - the actual applications that were made and finishing with in 1998 Peter Young applied for a declaration of the Court, an appeal against the Copp's Road approval. Subsequently on the 18th of June 1998, the Judge dismissed the appeal, so in actual - what it means is that the Copp's Road property adjacent to Mr Young's has been dealt with and has a full approval that is unappealable, so the matter's at an end. So then we come to Councillor Young's evidence of two conversations in November, or late October and early November - I've got the transcript here - that say that he brings up the million dollars and he also talks about a meeting for two hours of which there was a tape on my table, which happened to be a tape of Council proceedings.

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Well, excuse me, could we stick to the chronology-----?-- Yep, okay, sorry. Yes.

-----for the time being?-- All right.

This is a chronology that you've prepared of what you say were the relevant dates in the two respective applications?-- What I was trying to show the Commission was that they were now exclusive, that this was not on foot at Copp's Road any more. It was dealt with by the Court.

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CHAIRMAN: All of this relates to Copp's Road?-- All of it-----

Right, yes?-- -----Mr Chairman, is Copp's Road, so what I'm saying is that as at the 18th of June 19-----

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You're saying that it was finished in June '98, some four months before - five months before the conversation?-- Correct, Chairman.

MS HAMILTON: Well, I'm happy to tender that as this witness's version of relevant dates.

CHAIRMAN: That's Exhibit 270.

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ADMITTED AND MARKED "EXHIBIT 270"

MS HAMILTON: All right, Mr Fish, if we can go back to the meeting?-- Yes.

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CHAIRMAN: Has Mr Boddice got a copy of this?

MR BODDICE: Oh, yes, I do.

CHAIRMAN: You do. Okay.

MS HAMILTON: So you conveyed what you've just told to us to those present at the meeting?-- Yes. Yes, that's right.

And what was your purpose in telling them about that issue?-- Probably to show that I have - there was no reason not to fund Mr Rowe's campaign.

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Sorry, that there was no reason-----?-- No, well, that I was happy to fund - fund a campaign for Brian and for Grant and-----

And you were telling the-----?-- I was telling them in the fact that-----

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-----story to show why you would be against Councillor Young?-- Well, why there was - yeah, well, I had no respect at all for him.

MS HAMILTON: Now, in March you donated \$10,000 to Mr Pforr; is that correct?-- Correct.

And you also donated \$24,000 to Mr Rowe; is that correct?-- Mmm, hmm.

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Was the size of the donation to Mr Rowe a product of your dislike for Councillor Young?-- I would say that it was a combination of wanting to see Brian win a seat and also acknowledging that Councillor Young being an encumbered councillor with his newsletter and all other extras added on to it that he'd be a very tough cookie to crack, as in, it was a very hard task for Brian to win against Councillor Young.

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Of course, Mr Pforr was standing in your own division?-- Yes.

The division where you had business interests and where you lived?-- Yes.

Despite that he received less than half the amount that you gave -----?-- Yeah, that's why I didn't want to discuss how much I gave Brian and how much I was giving to Grant Pforr.

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Because you wished to see Councillor Young unseated?-- Probably I wished to see Brian in the position because I believed he was a great candidate and as well, acknowledging that, I believe that he would need every available funding dollar to promote himself to unseat a sitting councillor. Grant's job was much easier in the fact that he was running in an electorate where the previous councillor had retired.

All right. You've told us you went in some detail through your problems with Councillor Young at the meeting which would have taken some time, I believe. You went to some trouble to

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tell them exactly what your problems were with Councillor Young; is that right?-- Listen, obviously we had the conversation, there was history and I'll say that it was prior to Young being in council, for history.

Would you agree that after your later generous donations of 10,000 and \$24,000, both Mr Rowe and Mr Pforr would have been left in no doubt that you were a person who was willing to spend money to get rid of a councillor whom you didn't like?-- I think I left it in no uncertain circumstances that either of them could have been confused that I was in any way happy that I saw Councillor Young be elected in 2000. In fact-----

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Well, excuse me, could you just - the question is, they would have been left in no doubt that you were willing to make very generous donations to get rid of a councillor whom you didn't like?-- What's your point?

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Well, could you just answer that question. That was the impression you wanted to give, wasn't it?-- No, the impression was that I didn't believe Councillor Young was fit and proper for office after my previous dealings with him before he was a councillor and I believed that Brian Rowe had impeccable credentials to be a councillor and that his job was going to be an incredible uphill fight. And if I'd have given him

\$10,000 and he had have run half the campaign, he would have been in a two-horse race 20 to 1 and the other guy's 20s on. So you've got to say - you may as well throw the money down a well and wish as if you're going to do anything less than make a serious attempt.

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Well, can I put it this way. Knowing that at least part of your motivation was your hostility towards Councillor Young, you'd agree, wouldn't you, that both Mr Rowe, if he'd got in, and Mr Pforr would have been careful not to get into a similar situation in respect of you?-- Yes.

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All right. Well, anybody in that situation would not want to cross you in the future, would they?-- You heard what I said about Councillor Young and what had been my experience. It had never ever happened to me before and I hope it never ever happens again.

All right. Now, in respect of your contacts with Councillor Power, you had this meeting; is that correct?-- That's correct.

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Had you had any phone contact with him before that meeting in respect of the election?-- Not really.

Does that mean no?-- That means no.

And what about after this meeting?-- After the meeting, may have had one or two conversations with him.

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What about?-- I don't recall.

About the election?-- Well, would have been election - Councillor Young - Councillor Power is somebody that I've known in Council for 12 years. I've - necessarily agreed with everything he has done but I believe him to be a man of his - of integrity and if I needed to contact him I would.

All right. Now, I think you've already said you didn't know Grant Pforr before the election at all?-- Yes, I knew his wife.

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And you - one of the purposes of this meeting, was it not, was for Councillor Power to introduce you to-----?-- Grant.

-----Grant Pforr as a worthy candidate in effect?-- Yes.

You say you've known Councillor Power for 12 years. In what capacity have you known him?-- Purely Council.

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And what does that mean? What contact do you have with him in respect of Council business?-- Well, he was involved in the - whether he was chair of planning in the old Albert Shire days - but he was certainly involved. I did - had considerable land holdings in the Coomera area pre-2000 and was - attended planning meetings - would have attended conversations with regard approvals - would have - would have been involved - he'd been an area councillor where we had or I had substantial

land holdings but never on a social - it was always Council business.

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Did Councillor Power ever talk to you about what he was hoping to achieve with the trust account fund?-- Well, I would understand from what was being done was that there was candidates that were - who had nominated for Council. I think that they had gone through with a bit of a short list on who was running where and I think made inquiries and ascertained who they thought that they could work with.

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All right. So they had gone through possible candidates?-- I believe so.

And decided who they could work with?-- I believe so.

And that select group of candidates were the people who were going to benefit from the trust account funds?-- I think that is probably more to the point that they would have seen Grant Pforr in - nominate, would have seen Brian Rowe nominate, but I don't know whether he was one of two in - whether it was only Rowe and Young in that electorate. I don't think it would have been too hard for them to go through and - and see who they knew, who they may have worked with who had business associates. The Gold Coast is a reasonably tight - tight-knit community as far as the business world is-----

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Now, I'm not suggesting it would have been hard for them to do; what I'm suggesting is that you understood as a result of your discussions with Councillor Power that there was a select group of candidates who they could work with?-- I think there was a group of candidates that - that they would have seen they had nominated for various divisions and I believe that they would have obviously gone through and selected who, what and where that they would support.

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And that they would support them through this money in the trust account?-- Through the money raised from the - from the development and business community, yes.

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And I think you've already said that you became aware at some stage that Councillors Power and Robbins were in charge of the funds in the trust account?-- I believe that to be the case, yes.

Do you remember who told you that?-- I - I'm - the - the inference I would believe is - is that David and Sue Robbins and the fact that David has come to see me and introduced candidates, I - I certainly knew it wasn't Tony Hickey, put it that way.

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Well, why do you say that?-- Well, my belief was that David was - and Sue Robbins were involved and that was good enough for me.

Yes, I'm just trying to find out the basis of your belief?-- Well, I think-----

Was it something Councillor Power told you?-- Well, I - I don't believe he said, "John, I'm in charge of all of this and" blah blah blah. It's - he's there. He's introducing me to some candidates that he found running-----

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So it was clear he was going to be in charge of the funds from your contact with him?-- I couldn't say that absolutely that he was the general, chief cook, bottle washer, but it was clear that he was involved and "here's two candidates who are running", yes.

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All right. Mr Fish, we've heard evidence from Mr Pforr about the meeting that he had with you which basically accords with the evidence you've given here today so I'm not going to take you in detail through that. At 295 Mr Pforr also said that immediately following the elections he received phone calls from you in relation to sitting councillors receiving other developers' contributions and basically you were suggesting to him that he should look closely at whether Crichlow, Sarroff and Young had properly declared developer donations; do you recall such phone calls to Mr Pforr?-- Yes, I said that "you should have a look at certain things there", yes.

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Yes. Well, what did you tell him?-- I don't recall the conversation exactly, but I said to him that I was made aware by a developer that he suggested that he had contributed to Councillor Young's electoral fund on the Friday before the election.

And who was this?-- I'm not prepared to say.

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You're not prepared to say who the developer was?-- I'm not prepared to say, no.

But you told Mr-----?-- I told Councillor Pforr to keep an eye on his electoral return.

And did he ever report back to you on the results of any such investigation?-- Well, I believe he would have been - what we had was like a grade 11 girls' fright night happening at the council. There was innuendo running everywhere and it was a Days of Our Lives drama played out daily in the local press and it was hard to be not part of it in some shape or form.

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Well, could we return to my question?-- Mmm-hmm.

Did Councillor Pforr ever report back to you on the results of any inquiries he made about undeclared-----

CHAIRMAN: Well, do we need to go into that? I assume if there was anything he found, we'd have heard about it in his evidence rather than getting it second-hand from this witness.

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MS HAMILTON: I'm more interested in the contact between Mr Pforr and this witness.

CHAIRMAN: All right.

MS HAMILTON: Did he ever tell you anything further on the issue?-- I don't believe so.

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All right. And Councillor Pforr also gave evidence at 296 that you had raised the matter of a deed of novation with him, and basically you wanted to know where things were with the council on it?-- That's correct.

Is that right?-- Yes.

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When did you do that?-- I think it's March 05; this year.

Was your - was it your expectation, Mr Fish, that having made these rather generous donations that you would be able to achieve at least greater access to the councillors than you otherwise would have?-- I'd certainly say that I supported them. I would have thought you've got reasonable access to councillors regardless, but it certainly wouldn't have hurt anyway.

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So you had reasonable access, but it wouldn't have hurt. Is that-----?-- Yeah, it couldn't - it obviously couldn't hurt, could it?

And in respect of Councillor Pforr, were you one of a number of persons who attended a conference in Perth?-- Yes. Oh, a conference. It was a property exposition. Yes.

And Councillor Pforr attended also?-- Councillor Pforr was there.

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All right. What was it in respect of? Just - could you just tell us what it was?-- Right. Well, what it was in respect to was-----

Briefly?-- Briefly. Okay. There'd been numerous UDIA presentations on a place in Perth called East Perth and another place called Subiaco. They were both redevelopments of old gas work sites and some public utility areas, and they had a - incorporated a process which I was unaware of called "traditional neighbourhood design." Involved - it was either - anyway-----

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All right. Can I just ask, was this an official council sponsored tour or-----?-- No. I believe - I became aware of it through one of the council officers, who suggested that myself and my CEO have the opportunity to inspect what was going on there.

Thank you. I don't think you need to take that any further?-- Okay.

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Would this be a suitable time to adjourn?

CHAIRMAN: Yes. All right. Adjourn till 9?

MS HAMILTON: Could we make it 10 o'clock tomorrow?

THE HEARING ADJOURNED AT 4.30 P.M. TILL 10.00 A.M. THE
FOLLOWING DAY

WITNESS LIST

CRAIG GRANVILLE TREASURE, SWORN AND EXAMINED..... 1854

WITNESS EXCUSED..... 1886

SOHEIL ABEDIAN, SWORN AND EXAMINED..... 1886

WITNESS EXCUSED..... 1924

JOHN MERVYN THOMAS FISH , SWORN AND EXAMINED..... 1925

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EXHIBITS

ADMITTED AND MARKED "EXHIBIT 260"..... 1854

ADMITTED AND MARKED "EXHIBIT 261"..... 1855

ADMITTED AND MARKED "EXHIBIT 262"..... 1873

ADMITTED AND MARKED "EXHIBIT 263"..... 1887

ADMITTED AND MARKED "EXHIBIT 264"..... 1916

ADMITTED AND MARKED "EXHIBIT 265"..... 1916

ADMITTED AND MARKED "EXHIBIT 266"..... 1916

ADMITTED AND MARKED "EXHIBIT 267"..... 1924

ADMITTED AND MARKED "EXHIBIT 268"..... 1925

ADMITTED AND MARKED "EXHIBIT 269"..... 1925

ADMITTED AND MARKED "EXHIBIT 270"..... 1936

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