



CRIME AND CORRUPTION COMMISSION

TRANSCRIPT OF INVESTIGATIVE HEARING

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FORTITUDE VALLEY WITH RESPECT TO

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HEARING NO: 17/0001

DAY 4 - FRIDAY 21 APRIL 2017
(DURATION: 1HR 52MINS)

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LEGEND

PO Presiding Officer – ALAN MACSPORRAN QC
CA Counsel Assisting – GLEN RICE QC
30 HRO Hearing Room Orderly – ISABELLA PATTON
W Witness – ALLAN SUTHERLAND
LR Legal Representative – Ms E J LONGBOTTOM

HRO This hearing is resumed.

PO Thank you. Mr RICE?

CA Commissioner, I call Councillor Allan SUTHERLAND.

PO Mr SUTHERLAND, do you have any objection to taking the oath?

10 W No.

PO Thank you. Swear the witness in, please.

HRO Thank you. Could you please take the Bible in your right hand and repeat after me. The evidence.

W The evidence.

20 HRO Which I shall give.

W Which I shall give.

HRO In these proceedings.

W In these proceedings.

HRO Shall be the truth.

30 W Shall be the truth.

HRO The whole truth.

W The whole truth.

HRO And nothing but the truth.

W And nothing but the truth.

40 HRO So help me God.

W So help me God.

HRO Thank you. Please be seated.

W Thank you.

CA Sir, is your full name Allan Robert SUTHERLAND?

W That's correct.

50 CA Mr SUTHERLAND, you're the Mayor of Moreton Bay Regional Council; correct?

W That's also correct.

CA You were elected to that position in 2008?

- W That's also correct.
- CA Successfully contested elections in 2012 and 2016?
- W I started in 1994 at Redcliffe.
- CA Yes. You were the Mayor of Redcliffe at one time, before the amalgamation?
- 10 W Yes, that's correct.
- CA You are appearing today in response to an attendance notice?
- W Yes.
- CA Can I just show you that.
- W Yes, sure.
- 20 CA Is that a copy of the notice you were given to attend today, Mr SUTHERLAND?
- W Yes, be it that we're Friday now and not Wednesday.
- CA Yes, true. I tender that.
- PO Exhibit 67.
- 30 CA Are you a member of a political party, Mr SUTHERLAND?
- W No.
- CA Have you been?
- W In the '90s, the first half of the '90s.
- CA Have you been a member of any party whilst you've been Mayor of Moreton Regional Council?
- 40 W No, not Moreton nor Redcliffe. I haven't had any political involvement with any party for almost two decades, I'd say.
- CA Do you campaign as an independent?
- W Absolutely.
- CA What does that mean to you?
- 50 W It means that I have no political master, neither Labor or Liberal. I just don't have to answer. It gives me a lot more freedom, as a Mayor, to be able to talk to state or federal colleagues, whether they be, as we've got at the moment, a state Labor Party and an LNP federal government, and I have to have dialogue with all, as we did in many discussions that we've had over the years with things. I've worked across all tiers of government of all political persuasions, and it means a lot to me to keep my

independence.

CA Candidates for local government elections are not party endorsed, are they, at least not in Moreton?

W No.

CA But some may over time have memberships of parties or other obvious signs of political affiliation?

10

W That's true, as we have in Moreton Council at the moment.

CA I think it's your view, is it not, that voters don't want party-endorsed candidates?

W Well, I'm sure voters don't want politics, be it of any persuasion, running their councils.

CA Why do you say that?

20

W Why do I say that?

CA Mmm.

W I think local government's parish pump politics. It's closest to the people. I think it would be a fair comment to make that over the last decade or two, there has been disillusionment with all levels of government, particularly state and federal, and perhaps, depending on who the government is, with different governments. I don't think people want to see party involvement in their local councils.

30

I have no objection to people belonging to political parties. We've sat with members of different political parties in my council, or our council, ever since it was formed in 2008 and my message is clear: keep your politics at the door.

CA So candidates do not have party funding for their campaigns?

W Not that I'm aware of, no.

40

CA You don't approve, either, do you, of unions supporting candidates financially?

W No, I don't. No.

CA I know you gave an example of that when you were interviewed by the Commission investigators.

W I have some examples here.

50

CA We probably don't need to go to them, but is it fair to say that you don't support party funding for candidates?

W Well, no, not - I guess the issue arises that the people don't know. And I think we had a perfect example in the last election, when people found out that a person was supported by a union in a fairly major way. It

probably cost them the election. But had they have not found out that, they more than likely would have won that seat and I would have felt that that would have been by deception.

CA In the absence of party funding, campaigns have to be funded somehow, don't they?

W It's terrible. Yes.

10 CA You say it's terrible? Well, to explore that-

W It's the worst nightmare.

CA Yes, okay. Candidates have to rely on their own resources or fundraisers or donations or a combination of it?

20 W It depends on the size of the council. In the old Redcliffe Council, when I joined in '94, to the best of my memory virtually all of my campaigns were sole funded. And the mayoral campaign, I had some family support. I can't recall whether I had other support at all then, and I funded it myself. But we were looking at an area the size of two divisions of Moreton Bay Region.

Moreton Bay Region now encompasses three federal electorates and some eight shared state seats. It's the third-largest council in Australia. To give an example of funding, I've got two letterbox drops here. The postage for those was around the 45K mark -- two drops.

30 CA A big impost on a candidate to fund their own campaign, is it?

W It's a \$200,000 exercise, minimum.

CA That's at your level; correct?

W Mmm, yes.

CA But for the average councillor, less than that or not?

40 W Depending on the councillor. If you were someone like Brian BATTERSBY, who was there for 40-odd years, he could probably do it on tuppence, he was so well known. If you were new to the fold and you didn't have a name and you had to establish a name, I suppose upwards to a polished, professional campaign, maybe \$35,000 or \$40,000.

CA So did I sum it up correctly that candidates need to rely on personal funding, fundraisers or donations?

50 W Yes, I'd say that would be correct.

CA You described that as terrible, I think, a moment ago. Why do you say that, Mr SUTHERLAND?

W It's the worst part of your job as a Mayor or a councillor. No-one likes it. I've never spoken to any Mayor anywhere at any time that likes fundraising activities. If you can pick a worst part of your job, that would

be it. It's not pleasant.

CA Is there a better model, the Commission would be interested to know, in this context?

W Well, I think there needs to be changes, yes.

CA Do you have any suggestions?

10 W I've got a lot of suggestions. I don't know whether we're in the environment to make them. I think there should be caps.

CA I beg your pardon?

W There should be caps on the amount of donations. The public, quite rightfully, do get suspicious of donors, for different reasons. I guess - I made a prediction in 2008 that I would be - I was the last Mayor of Redcliffe and I think - I made a prediction that I'm possibly the last independent Mayor of Moreton Bay Region.

20

And I say that because when it comes to funding, if we don't allow some funding somehow, particularly for mayoral candidates in the large amalgamated areas - you know, we have a population approaching Tasmania's - it will become the domain of political parties and unions, and I think that will be sad, or we'll have a whole roomful of Mayors that are multimillionaires and we'll have lots of Clive PALMERs running around as Mayors, so to speak, and I don't think the public - nothing against Mr Palmer, but I don't think the public want to see millionaires or political hacks running their councils.

30

So what I'm saying is, I guess, in essence, there has to be some form of funding in some way, shape or form to run a successful mayoral candidacy campaign in a large region.

CA Another issue is disclosure of donations.

W Yes.

40 CA You know from your own participation that the regime of the *Local Government Act* is to require returns to be lodged up to 15 weeks after the election?

W Yes.

CA Given the timing of that lodgement, post election, does that serve the interests of electors in knowing where candidates are being funded from?

50 W It certainly doesn't. There's no way, shape or form it does. And it's a two-stream process, which, in my book, is undemocratic, in that the *Local Government Act* forces disclosure of sitting councillors and Mayors, and yet the *Electoral Act* - of gifts or donations. Whether it be for a political purpose, for a campaign or not, it has to be in the register. So that happens - if you're a councillor, you have to declare it if you get a donation three weeks out. If you're someone campaigning against that councillor, you can be financed by the Japanese Mafia and people won't

find out about that until three months later. And that is very undemocratic, to have one law applied to one candidate and another to another candidate.

- CA You're not the first to say that, Mr SUTHERLAND.
- W No. It's wrong.
- CA Let's change the subject, then.
- 10 W Yes.
- CA You, for the purpose of your 2016 campaign, shared campaign material with a number of other candidates?
- W Yes.
- CA There were a number of How to Vote Cards?
- W Yes.
- 20 CA You and other candidates used joint How to Vote Cards - or at least some candidates; correct?
- W Yes.
- CA We might have some examples here. I am just interested to know the extent to which that occurred, Mr SUTHERLAND. There is one here. It appears to be a joint card with Councillor Julie GREER.
- 30 W I think I've got them probably all here. I think I've probably got every one of them here.
- CA Is that a joint card that you used for the last election with Councillor GREER?
- W Yes.
- CA You think yes?
- 40 W I'm just looking. It's a little bit greyer than - my version than your version.
- CA Okay. Well, the layout-
- W That's it.
- CA Do you accept the layout?
- W Yes, that's it.
- 50 CA It is not an exact representation, of course.
- W No.
- CA It's a print. But there was such a card that you shared with her, and it appears to be that?

W Yes. I've got a copy of them all here.

CA I tender that.

PO Exhibit 68.

CA You shared another one with Councillor HOUGHTON?

W Yes.

10 CA Have I pronounced that correctly?

W He prefers HOUGHTON, not HOUGHTON.

CA Yes. Can I show you this one.

W Yes, that's correct.

CA That is one that you shared with Mr HOUGHTON. I tender that.

20 PO Exhibit 69.

CA You shared another card with Councillor GILLAM?

W That's correct.

CA I tender that card.

PO Exhibit 70.

30 CA You shared another How to Vote Card with Councillor CHARLTON?

W That's correct.

CA I think that's Exhibit 37. I am just showing you Exhibit 37. Is that a copy of the How to Vote Card with Mr CHARLTON?

W Yes.

40 CA There was also another with Councillor FLANNERY; correct?

W Yes, that's correct.

CA I think that is Exhibit 64. That's five. Is that the extent of it?

W Sorry, did we count Councillor GREER? Was that the first one?

CA Yes, it was.

50 W Just with Councillor GREER's, I'm not sure, but in the first instance the other day, I thought that that wasn't the original. It was the 2012 one and not the 2016.

CA Yes. Did you have one in 2016 with Councillor GREER?

W Yes, yes.

CA You did?

W It's on here, yes.

CA The ones that I've shown you so far - and you've got copies yourself?

W Yes.

10 CA They, for the most part, adopt a similar layout in terms of artwork?

W Yes.

CA How did that come about?

W Well, they would have been done by the same graphic artist, at the same print house.

CA At whose instigation?

20 W Of the artwork?

CA Well-

W Well, the councillors that I asked if they would want to do them, some said yes; some said no. There was no binding obligation on them. For instance, Koliana WINCHESTER shared a billboard with us but didn't share a How to Vote Card with us. It's an entirely independent decision. It's a logistical decision, also, particularly for myself, not so much for the councillors.

30

And in the 2012 election, we had done the same thing and we - each councillor, I guess, is responsible for their own layout. I mean, Mick's ran with that forever and a day. I guess the fonts and that are very similar, because any graphic artist worth their salt wouldn't have a page with two argumentative fonts, if you know what I mean.

CA From what you said a moment ago, you were the one who initiated the joint How to Vote Card idea?

40 W I was the one that asked individual councillors whether they would like to share a How to Vote Card, yes.

CA So did you ask more than the five, I think, we've seen if they would participate with you in that?

W Yes.

CA And some said no?

50 W Yes.

CA But five said yes?

W Yes.

- CA And that's how it originated?
- W Yes.
- CA There's a cost associated with the printing of How to Vote Cards, of course, isn't there?
- W Correct.
- 10 CA Did you discuss sharing of costs with the councillors concerned that you were sharing with?
- W Yes, I did. I can't recall - we're going back 18 months ago. I can't recall which ones, but some councillors said, in the first instance, that they'd just go halves, and other councillors, I suggested - well, I suggested to them all that I'd try to make myself available through the campaign to pay for it, but-
- 20 CA All of it, you mean?
- W Yes, but it must be declared. We can't - I'm not - we weren't going to have anything that wasn't transparent, like, you know, "I'll just do this for you." It has to be declared, and, "I'll see if we can cover the costs." A couple of the councillors at the time said, no, they were happy to pay the costs, and, in the end, they said, "Well, if you're willing to pay the costs, yes, that will be okay."
- CA So you paid the full cost for at least some of those?
- 30 W Yes, providing that it was fully declared.
- CA By that, do you mean the benefit to them was declared, the cost benefit to them?
- W Well, I wanted it on their disclosure that I'd paid - Moreton Futures had paid-
- CA Effectively, a donation from you; it qualifies as a donation?
- 40 W Yes, absolutely.
- CA And that's what you meant, that it should be declared as such?
- W Absolutely.
- CA Do you accept that these cards, appearing as a joint image, or I think in Councillor FLANNERY's case back-to-back, involved cross-promotion of the election of the both of you?
- 50 W It depends. It depends. It depends which way it works and in what area of Moreton Bay Region. To some councillors, it may be detrimental to them, and some councillors - I don't know how you quantify it - it could be advantageous. My vote varies hugely across the region. In the southern areas and in Redcliffe, mid 60s - primary vote, I'm talking about. And the northern area, up to different parts of Caboolture, more like mid 40s. In some places, low 40s. And so if a councillor - what I'm trying to

say, I guess, if a councillor up in the Caboolture area shared their How to Vote Card, it might be detrimental to him. But I don't know how you qualify that.

CA Okay. We're perhaps at slightly cross-purposes. Just looking at the card, it invites a "Vote 1" for both of you; correct?

W Well, they both say "1", yes.

10 CA And I'm suggesting to you, from that, regardless of the efficiency of that as a How to Vote Card-

W But it doesn't-

CA Just listen, please.

W Yes.

20 CA I am suggesting to you that that involves, on the face of it, cross-promotion of the two of you supporting each other's election as candidate No. 1?

W Well, it doesn't transpose to that as far as the vote goes, because they never marry.

CA Okay.

30 W And in fact, as I said before, it can be detrimental, but it doesn't transpose for that. Examples: in Mike's area, the Albany Creek area, he's the Deputy Mayor and sitting councillor for some time. I outpolled him in his own patch by several per cent. I don't know how that came about.

CA Just to take one example, say Mr CHARLTON, on the joint How to Vote Card, as it's represented, can I suggest to you that it involves a representation that you support him, you support his election; conversely, on the face of the How to Vote Card, it involves his supporting your election? Whether that turns out to be effective or not is the question you were answering.

40 W Yes.

CA That wasn't actually what I asked.

W Yes, yes, I see what you mean.

CA Can I suggest to you it's self-evident, really, that the How to Vote Cards do cross-promote the election prospects of both of you?

50 W I don't think you can really deny that they cross-promote, but I just don't know how you qualify or quantify it.

CA Prior to printing, you had an arrangement with these councillors that this would occur, correct, that you would have joint How to Vote Cards?

W Yes.

- CA Did you hesitate, having made an arrangement with these councillors to do that, that the appearance of the How to Vote Cards as joint cards in each case could give rise to a view that, by arrangement, you had formed a group to support each other's election?
- W No, I'd adopt the attitude that most people looking at that by arrangement would see that as the sitting council, not a group. They would see Mick GILLAM and Allan SUTHERLAND. They know Mick GILLAM is their sitting councillor and Allan SUTHERLAND is their Mayor. I wouldn't suggest it's a group as such but more as a council. They're the sitting councillors.
- CA You had a selected - well, you had a number of councillors whose re-election you favoured; correct? Even by virtue of the fact of the joint How to Vote Card, you favoured their re-election?
- W Absolutely. And, conversely, I had candidates that weren't elected asking me to do joint How to Vote Cards with them, and I wouldn't do it, definitely because I thought that that would impact on the impartiality of me as Mayor and that it was open to who was going to be elected in that division and I didn't want to be seen to be influencing the outcome of a division. And Brian BATTERSBY's area springs to mind immediately.
- CA Okay.
- W But I don't mind doing it with a sitting councillor, particularly if we've got a respect for each other's ideals.
- CA With some of those councillors, you went a step further, didn't you, and wrote letters of endorsement of them?
- W I did.
- CA They involved Councillor CHARLTON; correct?
- W Yes.
- CA Councillor HOUGHTON?
- W Yes.
- CA And Councillor FLANNERY?
- W Yes.
- CA Is that all?
- W I think so. I don't think it was Councillor GREER. Did you say Councillor HOUGHTON?
- CA Yes, I did.
- W I'm pretty sure that was it.
- CA Well, this might jog your memory. Could I show you this flyer. Is that a representation of the letter of endorsement that you wrote for Councillor

HOUGHTON?

W Yes.

CA Without going to the text of the others, was it similar in style, endorsing their efforts as a councillor and supporting their re-election?

W Yes. If memory serves me, I put a similar letter of endorsement out with Councillor HOUGHTON in the 2012 election also.

10

CA I tender that letter of endorsement of Councillor HOUGHTON.

PO Exhibit 71.

CA The letters that you wrote in due course were the subject of mail-outs to electors, were they not?

W Yes.

20

CA In all three cases?

W Yes.

CA And the letter of endorsement came to be printed in a fashion like that?

W Yes.

CA Is that the form in which the letter was mailed out, do you remember?

30

W Well, it went with a delivery person.

CA Did it?

W It didn't go-

CA Not by mail, as such?

W Oh, no, no, it didn't go - it was like, Iris Delivery, or someone like that, yes.

40

CA But in any event, distributed to electors?

W Oh, absolutely, yes.

CA In a form like that, as a flyer?

W As a flyer. It wasn't an "Australia Post Paid" thing. It was the cheaper version, the delivery version, where it ends up with your Woolworths and BCF and whatever in your mailbox.

50

CA Did you assume the cost of the delivery of the flyers in each of those three cases?

W Yes. Once again, on the same basis, that it would be declared as a gift, a third party gift, or whatever way we had to declare it.

- CA Did you offer to those candidates to assume that cost?
- W Yes.
- CA And they were agreeable, subject to declaration?
- W Yes, yes.
- 10 CA You have already mentioned billboards, I think. There were shared billboards with a number of candidates, also?
- W Yes. The same applied, providing that we worked out the best - to the best way we could to declare it.
- CA Is it right to say, again, that those billboards appeared as joint billboards at your suggestion to the other candidates?
- W Yes, I rang them up individually in most instances, as I recall, yes. I remember a couple of the discussions.
- 20 CA Billboards are a bit like the How to Vote Cards, aren't they? They involve a representation that you support each other for the purpose of election?
- W Well, I wouldn't suggest that it was a - I would suggest it could be taken as support, yes, but it certainly - if you're on the same billboard together, it's support. But it's not - I wouldn't suggest it's a group as such. There was never anything where we all appeared, the sitting councillors, together or anything like that. It was on an individual basis, and it was more support depending on, I guess, I thought the situation at the time.
- 30 The decision was never made together of a How to Vote Card and a billboard and a letter. It was rolling through the course of the campaign. If memory serves me - and I'll stand corrected - I think all of them were my decisions and it was based on concerns I had as the campaign rolled out.
- CA Arising from all of that, I'll ask you again, from the How to Vote Cards, the shared billboards, letters of endorsement mailed out under your name, et cetera, all of which was by arrangement with the candidate concerned, did that give you pause as to whether you might either be seen to be or in fact be a group for the purpose of the *Local Government Electoral Act*?
- 40 W No. I think it's fair to say there was much discussion amongst councillors whether - I think it was the 2012 election, too, whether we nominate as a group. But there's fierce independence in our council, and it's probably the strength of the Moreton Bay Council and why they've survived so long relatively intact against the flow of councils in Queensland.
- 50 I don't think anybody wants to be beholden or reliant on each other. I had an example in there today of the council meeting on Tuesday, where there was - what would you call it? - a very contentious issue, which managed to go to the editorial level of the newspaper. There was an editorial written on it, plus a story. And the vote, by memory, was 8/5, both new and old councillors seemingly across the board, depending on their belief.
- CA All right.

- W I don't think anybody in our council would ever consider a bonding to the degree that we would think there was a group. In fact, we had a list of things we went through when we looked at the legislation, and we didn't think we complied with any of them.
- CA So far as voting is concerned, at least, I think the effect of what you are saying is that, in your view, there are no groups for the purpose of voting on council business?
- 10 W That's correct.
- CA We have mentioned disclosure previously. You know that personal disclosure returns of gifts have to be made to the Electoral Commission after the election, and you did so after the 2016 election; correct?
- W Correct.
- CA Your personal disclosure return, which we'll go to a bit later, shows large donations from Moreton Futures Trust; correct?
- 20 W Correct.
- CA Was 2016 the first election campaign in which you'd received donations from Moreton Futures Trust?
- W No, the second. 2012.
- CA Okay. What about 2008, had you received donations for a campaign from - I think Moreton Futures Trust perhaps didn't exist at that stage, but from any predecessor?
- 30 W No. I believe they actually campaigned against me.
- CA There was an entity - you might be able to give us the correct name - it has been referred to variously, I think, as Pine Rivers Futures Trust and Friends of Pine Rivers?
- W Yes, I thought it was Pine Rivers Futures Trust, but I was since told it was Friends of Pine Rivers, or something like that, yes.
- 40 CA What do you know of it? You said, I think, that there had been a campaign against you in 2008?
- W Well, there was a campaign against everybody because we were amalgamating-
- CA Yes.
- W I didn't know anything about it in 2008. I knew that there was a large hostile bloc in that area that didn't want me as their Mayor. In fact, I can remember How to Vote Cards, their suggestion for Mayor was "Put SUTHERLAND last". It was a hostile campaign, to say the least. But it was only after the 2008 election, in newspaper articles, I think, they were on about this fund or trust or whatever it was.
- 50 CA One of your opposition, at least, was Bryan GALVIN?

- W Correct.
- CA He had been Mayor of Pine Rivers?
- W No, he was Deputy Mayor.
- CA Deputy Mayor, was he?
- 10 W Yes. The Mayor was Yvonne CHAPMAN.
- CA You were successful against him in 2008, obviously?
- W Yes.
- CA But you think this Friends of Pine Rivers was campaigning in favour of Mr GALVIN?
- W I'm sure it was, yes.
- 20 CA Okay. When did you first hear about Moreton Futures Trust? You say you received money from them in 2012.
- W Yes.
- CA It must have been before that?
- W It would have been sometime - I'm doing a best guess - mid to two-thirds through the term. There were certain councillors at the time very interested in whether I was running in the next election, and their interest was rising even more when I was tied up with a very lengthy, lengthy, CMC investigation and I think it was the thought of some that that may not be finished before the election, and I think that that trust was maybe active, or certainly preparing itself to be active, in the 2012 election again.
- 30 I was subsequently cleared, and a few councillors asked me if I was running. I said, "Absolutely." I'd told them beforehand, in all honesty, in 2011, "I'm going to get out of this because there's nothing in it", and I knew that from the start. I just didn't know what I was up against. And I think there was a lot of people sitting on the sideline just watching. And then somewhere - it's a long time ago, but suffice to say somewhere in 2011, I was asked whether I'd accept support by the trust, which I think was Moreton Futures Trust then. I'm not sure, but I think it was.
- 40 CA Okay. Who did you get this approach from, whether you would accept support from this Moreton Futures Trust?
- W I think there would have been at least two councillors talking about it. I'm pretty sure it was Mike CHARLTON that approached me in the first instance. I had never had any involvement with the trust. I had always run my own show. So your spider senses are tingling, and I asked about the trust and I remember one of the people I asked was the longest-serving councillor, TULLY at that time, and Brian BATTERSBY, who I have enormous respect for, and I said, "Do you know anything about this trust?", and he said that he did.
- 50

- CA That is Brian BATTERSBY?
- W Yes, and that the people behind it were honourable, upstanding members of the Pine Rivers community. I'm not sure at that time whether it was Kirby LEEKE or not, but I did take it on Brian's authority that - I said, "Is there anything to worry about?", and he said, "No, no, they're all really good people" and rattled off a couple of names. I'm not sure who the names are now, because it was too long ago.
- 10 CA Mr BATTERSBY was giving you information about this trust?
- W As memory serves me, yes.
- CA But did you, prior to the 2012 election-
- W Not the workings of the trust. If memory serves me correctly, I was asking Brian about the people behind it, because Brian BATTERSBY knows everybody in Pine Rivers.
- 20 CA All right. Did you subsequently meet or speak to anyone more directly connected with the trust-
- W No.
- CA -than Mr BATTERSBY was?
- W No.
- CA No?
- 30 W Only Mike CHARLTON was talking about it, too. Outside of council, no, never.
- CA No-one outside of council?
- W No.
- CA Before 2012?
- 40 W No, I didn't even know who made up the organisation.
- CA You were asked, I think, if you would receive money from the trust?
- W Yes.
- CA I think that's what you said?
- W Yes.
- 50 CA Was that Mr CHARLTON who you think may have done it?
- W I'm pretty sure. Yes, I'm pretty sure.
- CA It was another councillor, at any rate, probably Mr CHARLTON?
- W Yes, it was another councillor, for sure, because the discussion had never

come up about the trust outside of the council.

CA Having made some inquiry, by the sound of it, of Mr BATTERSBY, did you agree that you would allow yourself to be the recipient of money from this trust?

W Yes.

CA Is that the way it worked?

10

W Yes.

CA And from what you tell us, you didn't have any discussion or direct contact with persons who might be trustees or involved in the administration of it?

W No, and - this is a long time ago, so you've got to rely on foggy memory.

CA Yes.

20

W I remember talking to my wife about it, and she said - she's a very cautious lady - "Who's behind it?", and I just turned around and I said, "Well, I can only take it on Brian's and Mike's word that they sound like they're the old crowd", and I knew that what's his name, the Deputy Mayor, was tied up in it, too - Bryan GALVIN, the ex-Deputy Mayor of Pine Rivers. I remember saying to Gayle, "I think it's Bryan GALVIN and all that business mob, whoever they are", but I said, "Brian BATTERSBY and them say they're all really upstanding people."

30 CA Did you find out for the purpose of the 2012 election who the trustees were?

W No, I don't think I ever knew who the trustees were.

CA Well, you did receive money in the 2012 election-

W Yes.

CA -from the Moreton Futures Trust?

40

W Look, I wouldn't like to say 100 per cent it was 2012. There was - there was talk - there was names bandied. There was Dr John RYAN's name. He was part of it. I'm not sure if Kirby was part of it then or not; I can't recall. I think it was Bryan GALVIN. But there was no other businesspeople as such that I'd heard of.

50 I just took it on - I guess - I guess when you're - when you're in my position a lot, I delegate a lot and I accept advice a lot. And when I've got people like Mike and Brian saying that it's kosher, it's a respectable - it's not the Japanese Mafia, they're good Pine Rivers businesspeople, and I was led to believe that it had been in existence in some other form for a long period of time.

CA Does that go back to the Pine Rivers Futures days?

W Yes, and it had never been challenged in any way as being an illegal

activity or something that was wrong. Do you know what I mean? So there was nothing that - I'm suspicious by nature, so there was nothing that sort of went, "Oooh, I'd better keep away from this."

CA You did, in the end, receive money-

W Yes.

CA -for the 2012 campaign from Moreton Futures Trust?

10

W Correct.

CA And that created an obligation to report or disclose in your subsequent return?

W Yes, correct.

CA And you did make a disclosure of having received money from Moreton Futures Trust?

20

W Correct.

CA You really ought to have included the names of the trustees on your disclosure, Mr SUTHERLAND, shouldn't you?

W I found out that this week.

CA Yes.

30

W Yes.

CA But you didn't?

W I didn't even know, no.

CA Is one reason for that, from what you say, that you didn't know who the trustees were?

40

W Well, I didn't know who the trustees were, but, to my way of thinking, when I - like I say, I'm going back to 2012. I've got issues with even the way you fill out the declarations.

CA We'll come to that.

W So you fill out "Moreton Futures Trust" versus - sorry, I shouldn't use your name - Mellencamp Pty Ltd. No-one knows who the directors and who the owners of Mellencamp are, and that's what you put down as their post box. So if they want someone from there, they go through the PO box number.

50

CA Except in the case of a company, you can do a search at ASIC and you can find out?

W You can find out, yes.

CA One of the issues about disclosure is that when you put "Moreton Futures

Trust" down on your return, there is no way anyone can tell who is making the decision to fund you?

W Not even on their return?

CA Well-

W Someone would sign off on their return.

10 CA Someone will sign off, someone.

W Obviously one of the trustees, I would expect.

CA Do you understand now that the rules actually require, in the case of trusts, to identify the trustees or persons who are responsible for paying the money?

W Yes.

20 CA And you would accept, wouldn't you, that that is a transparency measure?

W There's-

CA Because otherwise who is really to know who is behind such a trust and who is in fact funding you?

W I understand that and I think there has been a lot of - how would you say it? - editorial on members of that trust over many years.

30 CA You've already mentioned a couple of names. Dr RYAN?

W Yes.

CA How do you know him?

W Until probably - what month are we in now? Until probably 15 or 16 months ago, I never knew him. I'd never met him, that I can recall, at all. I had a particularly difficult health situation both before and during the election.

40 CA You consulted him for health reasons, did you?

W Well, he was recommended to me because-

CA I don't want to know about your health. That's private.

W He was recommended to me because we couldn't find out what was going on, and I knew there was something wrong. It was Mike CHARLTON that said, "You should go and see Dr John." It was probably the best move I ever made.

50

CA So he became your physician?

W Yes.

CA More pertinently, did you know of any connection that he had with

Moreton Futures Trust?

W Yes. I think the first time - I'm going by memory. It was - I would suggest it was after the election, although it could have been before the election. I think it was one day in his surgery, he said he used to be tied up with Moreton Futures Trust.

CA How did that crop up in conversation? It didn't just drop out of the blue, did it?

10

W Well, that's why I think it was in or around the election. It was - it was during the election that - and I had to hide it from the public and the press because I didn't know what was going on, but-

CA Hide what?

W Well, I was in hospital the Thursday night before the election.

CA I see, okay.

20

W So I was in and out of his surgery three or four times a week at that stage, and I subsequently collapsed after the election, and I got to know him fairly well fairly quickly. And he started talking - we started talking about the campaign. And even to get to the campaign party, so to speak, I had to go to his surgery and get treatment before I could go. Somewhere in and around that time, he said he used to be involved in Moreton Futures Trust. But it wasn't a lengthy conversation, and, if I recall, I said, "I've heard your name mentioned", and that's where it would have been.

30 CA Do you know Kirby LEEKE?

W I had never met him in my life until Brian BATTERSBY's sent-off.

CA That was approximately when?

W I think it was January or it may have been February 2016.

CA He retired, I guess, did he?

40 W Yes, he did.

CA He didn't seek re-election?

W No, no.

CA Is that the first time you met him?

50 W Yes. He come up to me and said "Mayor" and shook my hand, and I said - well, there was a lot of people there. It was a big send-off. I said, "How are you going?" He said, "You don't know me, do you?", words to that effect, and I said, "No", and he said, "My name's Kirby LEEKE", and I said, "Moreton Futures Trust?", and he said, "Yes." That was at the send-off.

CA Where did the conversation go from there?

- W It wasn't a long conversation. There was probably 150 people in the room. As the Mayor, you don't stand and talk to one person. That's pretty ignorant. I was in election mode and so I did what Mayors do; I worked the room.
- CA Had you had phone contact with Kirby LEEKE prior to having met him at that send-off?
- 10 W I'd have to say I think we did in the election before, in the 2012 election. Look, I really, honestly, 100 per cent, can't say for sure, but I think we did. If we did, it wasn't much. It might have been one, maybe two calls, if it was at all. It wasn't weekly, regular phone calls or anything during the 2012 election. In fact, the support was in a different manner, as such.
- CA The contact that you had with Mr LEEKE in the 2012 election period, was that to do with the prospect of your being funded? Was there that connection?
- 20 W I think that connection was basically made through Mike CHARLTON, I think, who was the fellow that said he'll see if they will support me, and that's the best that I can recall it. It's five years ago. I never went to his office. I never met the bloke. I never went out to lunch or had a coffee with him. There may have been a phone conversation, but I can't recall.
- CA Do you recall whether any conversation you had with Kirby LEEKE was to do with Moreton Futures Trust funding you in the 2012 election?
- 30 W No, I honestly can't answer that as yes or no.
- CA Well, to go forward, then, you did meet Mr LEEKE face to face, you say, for the first time about January-
- W Yes.
- CA -2016?
- W Yes.
- 40 CA He didn't say anything in that conversation, from what you have told us, about the prospect of you receiving money again, or did he?
- W Once again, I'm not terribly sure, but I think he asked me if I was running and I said, "Most definitely", and there might have been words like, "Well, we'll probably be supporting you again", or something like that, but there was no in-depth, detailed discussion. Probably, in all fairness, it certainly wouldn't have been the forum, with a large amount of people in the room, to partake in such a discussion.
- 50 CA Moreton Futures Trust did substantially fund your 2016 campaign?
- W Correct.
- CA You must have become aware at some point that that was going to happen?

- W Yes.
- CA Because you really need to know what's coming in, so you can spend it?
- W That's right.
- CA You don't want to really waste - you don't want money left in the kitty when you have an election on?
- 10 W I would love there to be money left in the kitty.
- CA But the idea is to spend what you get, to maximise your chances; correct?
- W Yes, but if there is money left over, you wouldn't be scratching at the next election, like always happens.
- CA What I'm really suggesting is that, at some point, you must have been made aware by some means that there was going to be money coming in?
- 20 W We did speak-
- CA And it wasn't a trifle?
- W It was over the phone.
- CA With Kirby?
- W I think it was early February, maybe mid-February, I'm sure I had a conversation, but it wouldn't have been more than that. The establishment was made that they'd be supporting you in the election, and I said, "Great." Whether that was at that Brian BATTERSBY send-off or over the phone in and around that time, I can't really recall because I shifted myself out. Once the establishment was made that they'd be working, he said, "Who should I contact?", or, "Who can we go to with your campaign?", and I said, "My wife. I keep away from that sort of thing as much as possible", and the bridge was made between Kirby - very early on in January or February, whichever time it was, I'm not quite sure of, between my wife and Kirby and any subsequent conversations to that were almost solely with Gayle and Kirby.
- 30
- 40 CA What was her role in your campaigning?
- W Made sure the bills were getting paid and done the terrible job of booth roster. She takes a month off work every election to work out the logistics.
- CA For the purpose of your campaign expenses, deciding how and where to spend your money, do you decide that?
- 50 W As far as?
- CA Well, a lot of things: media, printing?
- W We have a campaign committee. I've always run a very structured campaign committee, which I don't chair, because I rely on the - I guess I rely on the input of the committee, like, the strength of the councillors,

the input of the councillors. If I'm a one-horse band in the committee, it won't work. So we have a structured, in an informal manner, committee.

CA In the course of the campaign, various expenses were incurred, as you know?

W Absolutely.

CA Media, printing and a whole range of things?

10

W Yes, yes.

CA And that creates bills, doesn't it?

W Yes.

CA What was the process for payment of the bills that resulted from incurring the various campaign expenses?

20

W I'm not quite sure the process in which the bills were-

CA Well, insofar as payment of bills may have been made by Moreton Futures Trust?

W Yes.

CA Do you know anything about that?

W Yes, they definitely were.

30

CA What was the process for sending invoices, which I think is what occurred-

W Yes.

CA -sending invoices to Moreton Futures Trust for payment? How did that arrangement come about?

W I think it was - I think it was at Kirby's suggestion because in the 2012 campaign, they paid a series of financial donations, in that there was no in-kind support; it was all financial. There was a deposit in the dedicated account. Somewhere along the line, early in the piece - and I'm saying I think it's Kirby's suggestion that it would be good to pay the accounts, rather than a financial thing, and a commitment. And I actually was ecstatic. I thought that was a great idea, in that - how do I say it? I'd never been involved in the trust before - in a trust before 2012, and receiving direct money from the trust - it seemed cleaner if they paid bills.

40

50

And at the 2015, I think it was, or 2014, one of the conferences, the ethics commissioner, Joan SHELDON, gave a speech on it. All through the speech, she emphasised the fact: form your committees; keep the candidate away from the transactions, away from the cash, away from - I think she termed them "begging letters", away from that, and away from the transactions; and if you get anything from a trust, you've got to declare this and declare that, and it went on and on and on. And I thought, you beauty, a trust and they're paying things; that suits me.

- CA And that's the way it occurred: expenses were incurred?
- W Yes.
- CA Generating invoices?
- W Yes.
- 10 CA Which were sent to whom?
- W my wife had direct interface with Kirby.
- CA There were fairly large amounts of money involved, tens of thousands of dollars, correct, Mr SUTHERLAND?
- W Yes, absolutely. And that's why, you know, I was more happy with the second arrangement, although it has obviously produced problems now, but hindsight is a great thing. I was more happy with the second arrangement, in that I'd be happy not to be involved with the money in any way, shape or form. I would love, in an election campaign, there to be an independent party of some description to hold funds, because that's one of the issues we have with the system we've got at the moment. There's no acquittal process.
- 20
- W So you raise \$200,000 for a campaign and only spend \$120,000, I mean, your world trip could be paid for out of your campaign funds. You don't have to put in a return to the ECQ, which is a big hole. So the idea of having an account go here and that account being paid was, I thought, dandy.
- 30
- CA Could I suggest to you, though, that you must have been aware that there was this ongoing arrangement, which your wife was having with Kirby LEEKE, that she would submit bills?
- W Yes.
- CA And they would be paid?
- 40 W Yes.
- CA And you knew that they were being paid from this Moreton Futures Trust?
- W Yes.
- CA You must have also known that Kirby LEEKE was seriously involved in that in some way?
- W Yes. He was an accountant. He was the accountant that was running the trust.
- 50
- CA And he was in fact the one who was paying; correct? Did you know that?
- W I assumed so.
- CA You assumed it?

- W Yes.
- CA Well, he was the only one whose name and face you had actually associated with Moreton Futures Trust; correct?
- W Correct.
- 10 CA Apart from mention of it from Dr RYAN in the course of consultations?
- W Yes, from-
- CA But he didn't talk about active participation; would that be right?
- W He had nothing to do with it, from what I understand. Zero. The only other time he mentioned it is when this investigation started and he said, "Someone has given us this thing that says that I'm a signatory to this", and that was October last year or something.
- 20 CA Was there any mention, in any conversation that you had with Kirby LEEKE, about what kind of money they might be able to make available to you?
- W No, no.
- CA You didn't know that?
- W No, I didn't know how much. I knew how much I needed for a campaign.
- 30 CA Yes.
- W And that's the job of the campaign committee, is to go out and, for want of a better word, rattle the can.
- CA But you must have been aware that the amounts that were being reimbursed on the invoices were substantial, amounting, in the end, to over \$100,000?
- 40 W Yes.
- CA You must have been aware, broadly speaking at least, of the scale of it?
- W Yes, no denial of that.
- CA Because that was actually a big chunk of your election campaign?
- W Yes.
- CA Hence, there is an interest in it; correct?
- 50 W Yes.
- CA Do you know how Moreton Futures Trust raised money to then donate to you in kind?
- W I would suggest that members of the committee thought about raising

funds for either myself or Moreton Futures Trust.

CA You would know that, wouldn't you? I mean-

W Yes, they did.

CA You are not uninformed about what your campaign committee is doing?

10 W No. As I said before, earlier on, I took the advice of Joan SHELDON. I had, as a rule, carried that out, anyway. As I said, it's the worst part of anything. It's very hard raising funds, particularly when you haven't got a political party behind you or a union behind you. It's not a nice feeling, as a Mayor, to ask people for money, so I prefer not to do that. I don't like going near that. And you've got members of your committee that are well connected with the business community and different elements of the community, and you set a figure, in the first place, of what we think we would need for a campaign and they actively try to engage in raising such moneys.

20 CA Ordinarily that would take the form - correct me if I'm wrong - of raising money by way of donations direct to you?

30 W Yes. In 2012 there was one or two, it might have been three - there was at least two - fundraisers, one ran by myself and one to do with Moreton Futures. I was the guest speaker at the one for Moreton Futures. I was happy not to have fundraisers this time, as such, because it's very hard to keep an eye on how many people are in that room and who attended and who paid what. You know, when I went to Lakeside and I drove in to that one in 2012, I was stunned by the number of cars that were there. And when I was giving the speech, I was looking at all the people around the room, being new to the fold, a mayor that had only been there for four years, I didn't know a lot of the business community, so I was happy if we could raise the money this year without having fundraisers, as such.

CA How would any member of your campaign committee know of the existence of Moreton Futures Trust?

W They would have been told.

40 CA By whom? By you?

W Almost certainly.

CA In what context?

50 W In that there's a trust, and if someone wanted to donate to my campaign, they can donate in one of two manners. They can donate in a trust, but if they donate to the trust it might not necessarily go to my campaign, and that's the issue with the trust. So, I say to people if they want to donate, if I did say to anybody - and there's one person I did approach who was a friend, and I gave him the choice, the only person I can recall that I approached directly and - there's a choice and, for various reasons, people take their own option as to which way to donate.

CA Well, did you convey this to your campaign committee?

- W Yes.
- CA What you've just told us, about the two options?
- W Two options, but it's important to make the difference between - if they donate to Allan SUTHERLAND, that money goes to Allan SUTHERLAND's campaign.
- 10 CA That is a lot better for you, isn't it, to have a bird in the hand rather than the bird in the bush, which is what goes into the trust?
- W Well, to be quite honest, I'd rather it all went into the trust so I could keep it all away. But you know in hindsight, maybe now we're going through all this, I'd rather it had all gone the other way. That's - it's - it was neither here nor there for me.
- 20 For me, it was a matter of raising the funds for the campaign, and if Moreton Futures Trust were getting involved, I was hoping, and I never did find out until the declaration, that they may have been helping other people and I thought that they are so good - there was five vacant seats across the region and I suspected, right up until the end, that they might have had their hands on at least one or two of the other campaigns, maybe three that I was thinking.
- CA Do you say that you were unaware that very much the lion's share of Moreton Futures Trust money was coming your way and not going anywhere else?
- W Well, I had no control of what went into the trust.
- 30 CA Were you aware of that, though? That you were if not the sole, certainly the central participant, of all the money that was raised in the Moreton Futures Trust?
- W Well, I would have hoped that I was the only mayoral candidate that they were supporting, yes.
- CA Yes.
- 40 W Yes. But I had no vision over - as I said, there were five vacant seats. I had no vision whether they were supporting - I suspected they were supporting two up in the northern end and, in the end, I was totally wrong.
- CA You mentioned a name David TRASK. You know him; he is a friend of yours?
- W He's a really good mate.
- 50 CA A good mate, yes. Is he on your campaign committee?
- W No, but he turned up to a couple of meetings. He's not - he's not part of the central heart of the meeting, the committee.
- CA Do you know of any involvement by him in raising donations for the Moreton Futures Trust?

- W Certainly. He's probably the best there is.
- CA Well, I think when you were being asked about this in your interview before, you said words to the effect that David TRASK may have been rattling the can around the business community. Is that correct?
- W I just said he is probably the best there is. I wouldn't like to be in a room with David when he's chasing money.
- 10 CA Okay. Did you know that he was chasing money for you?
- W I asked him if he could solicit some donations, yes.
- CA Because, amongst other things, he's very well connected in business circles?
- W Hugely connected.
- 20 CA And being a friend, he's an obvious one to turn to; correct?
- W Well, I'll go back - I don't want to repeat myself - to what Joan said: get your committees, get separated, get away, get your candidate away from the money tin, away from the begging letters, away from all that; make that separation, and I was very comfortable with making that separation. In fact, it makes me feel good because, as I said to you before, there is not a worst feeling. I don't like it.
- CA Okay. You've said that a few times. Getting back to Mr TRASK, did you inform him of Moreton Futures Trust, or was he somehow already aware of it?
- 30 W I'm sure he was aware of it because he was somehow involved in part of that Lakeside thing, back in 2012.
- CA Well, why would you draw a conclusion that he was aware of Moreton Futures Trust from that?
- W Because he was involved in it in some way back then, getting people along to it, and all the rest of it.
- 40 CA It being, what, a Moreton Futures Trust function?
- W Yes. Yes.
- CA Hence, you say, if he was involved in organising that in some way?
- W David certainly knew of the existence of Moreton Futures Trust in 2012, as he did in 2016.
- 50 CA Did you make any particular request of him to seek funds to be provided to the trust?
- W No. I made a request for him to seek funds, not specifically to the trust. He could seek it however he liked. It's up to the person that's donating, if you like, how they donate that money.

- CA Being a good friend of yours, were you in communication with him about what efforts he was making and how successful he was being in terms of raising money?
- W Anybody that was chasing money, I was saying, "Try to keep us informed of where we're going." Because that was a difficulty in this campaign which we didn't have as much previously, in that I wished it was either one or the other, in that marrying the two together was difficult because you didn't know where you were at any one moment. Because if you had your own campaign account and had your own money going in, you knew exactly what was available and exactly what wasn't. And if money went into Moreton Futures, I didn't know whether I was getting the whole part, everything, and what other campaigns they were supporting. There were rumours running around that they'd had a function and - I think that was in the paper or on an internet chat things that, you know, Moreton Futures is holding a function and I'm thinking - I think they even named it, it's at one of the local taverns and I don't know. I didn't know. I didn't know of its existence. That's what made me think that they were also supporting other candidates.
- 10
- CA Do you know anything about Mr TRASK delivering cheques to Kirby LEEKE for the trust fund?
- W I knew he would have been raising money. How he actually took the cheques to, or money, to Kirby LEEKE, I didn't get that close to that in any way, shape or form.
- CA Well, did you know that Mr TRASK was raising money from donors and that the money was going to Moreton Futures Trust, you knew that much?
- 30
- W As I said before it would go to myself or Moreton Futures Trust. How David got money to Kirby LEEKE, he could have used a carrier pigeon, for all I knew. I honestly don't know whether he put it in the mail, jumped in the car. I didn't get that - really, I'm running a big campaign. I didn't get that close to how someone walked around with some money to who or how.
- CA I'm not so much interested in the means by which he was provided with money. Rather, were you aware of the fact that Mr TRASK was raising money?
- 40
- W Yes.
- CA And giving it, by whatever means, to Kirby LEEKE for deposit--
- W Yes.
- CA --to the Moreton Futures Trust?
- 50
- W Yes.
- CA Did you know how much?
- W No, not exactly. I asked him to try to keep account of how much money was going in. Well, in some respects, you want to keep an eye on what sort of funds are going in so you at least hope you would be getting

a proportion of that back. As you said, it's a big campaign. I wouldn't have liked to see David raise \$50,000, or the trust raise \$50,000 through whatever means, through David or anybody else, and I get five back. It wouldn't have seemed a very good idea, so--

CA Well, you and your wife must have had some idea of what kind of money was available, can I suggest, because--

W Absolutely.

10

CA --invoices were submitted by your wife or on your behalf--

W Yes.

CA --amounting to \$127,000, correct, or thereabouts?

W 120, I thought it was around.

20

CA It is on your disclosure return, isn't it, the amounts?

W Yes. I didn't think it was 120, but, yes - anyway, yes.

CA You must have known that there were a lot of invoices going?

W Yes.

CA And that it was being paid big time?

30

W Yes.

CA On those figures, without perhaps being 100 per cent accurate, it's a big chunk, maybe half of your campaign fund?

W Yes.

CA You didn't personally solicit donors for Moreton Futures Trust?

40

W As I recall it I spoke to one person. I much rather prefer the committee and people involved to do that.

CA But--

W I find it extremely difficult to go to someone and ask them for some money.

CA Okay. Was that Michael GRAHAM?

W Yes, it was.

50

CA You had a discussion with him about making a donation?

W Yes.

CA Did he mention a figure, \$10,000?

W I can't - I can't recall. I think, by memory, he said he'll see what he could

do. I don't think there was a figure as such mentioned. He said he'll see what he can do, if I remember rightly.

CA The sum, I won't trouble you with it, but there are some emails from him mentioning that figure in communication with Mr LEEKE.

W Okay.

CA That is just for your information.

10

W Righto.

CA Can I just show you your disclosure return, Mr SUTHERLAND. Will you just confirm that that's a copy of the disclosure return that you signed on 29 June 2016?

W Yes, I'd say so. It looks--

CA Your signature is on the back, isn't it?

20

W I didn't look at the back, sorry. That is my return.

CA It is your return?

W Yes.

CA I tender that.

PO Exhibit 72.

30

CA Just looking at the list of donors - it's on page 3, Mr SUTHERLAND - we get from that, don't we, the accurate figure of what you received from Moreton Futures Trust?

W Yes.

CA From all that we see it is correct to say, isn't it, that that was a donation in kind, that is to say by way of payment of invoices rather than cash coming across?

40

W Yes. Yes.

CA And we get the total, if we add it up, all the five entries from Moreton Futures Trust; correct?

W Sorry?

CA I'm suggesting if you add it up it's about \$120,000--

50

W Yes, yes.

CA --give or take; correct?

W Okay.

CA We have already touched on this, but there are rules about proper

disclosure of amounts received from trusts; you are aware of that now?

W I would be very happy to put down that now. I'm well aware of it now.

CA I think everyone is aware of--

W I think everybody is aware of it and it's something, I think, we should be highlighting to LGAQ. Obviously, I wasn't aware of it, I thought--

10 CA Well, you're not alone, Mr SUTHERLAND.

W I thought I was doing the right thing. I mean, I've made every attempt to do the right thing.

CA You can see the problem, though, can't you?

W I can.

20 CA They're a transparency thing.

W Well, it's--

CA For example, leaving aside Moreton Futures Trust, we have another substantial donation from OMC Unit Trust.

W Yes.

CA \$60,000.

30 W That's David.

CA That is David TRASK, isn't it? But anyone looking at that is not to know that Mr TRASK is a heavy donor to your campaign; correct?

W Well, anybody looking at that wouldn't. But if they didn't know that he was a heavy donor to my campaign over the last few years, they've been living under a rock, I'd suggest.

40 CA That's not really the point, is it?

W No, I know what you are saying, and that's one of the issues with disclosures in whole. And you can turn around and say, "Righto, you put your name down. Allan SUTHERLAND donates \$20,000 to someone's campaign", and then Allan SUTHERLAND has three companies and they go for a DA through the council, and you haven't got a clue which companies I own. And I am in that arm wrestle all the time in the council chambers.

50 CA Knowing when you should make a disclosure?

W With planners going, "Hang on", and I've got probably the biggest habit of anybody: I walk all the time. Even when I don't have to walk, I walk, when I realise. And I try to keep lists of who's who, and it's very difficult, because company names change; they morph. What was, for instance, OMC Unit Trust might not be OMC Unit Trust in two years.

I've seen the difficulties that have evolved where - you know, I suspect I've seen at other times councillors take money from a certain institution, knowing full well that the owner of that institution owns another institution, and the other institution is the one that puts in the development applications. That's what is very difficult. It doesn't matter whether you've got the company name down or a personal name down; the person can own the company, and the company can be owned by the person. The traceability is very hard.

10 CA One of the problems of this donation system is one that you have touched upon, that it presents a difficulty which constricts the-

W It's extremely difficult.

CA -participating in council business; correct?

W It is. And my good mate Paul PISASALE, the other day, said to you guys said he had 70-something donors, and I nearly fell off the chair. I thought that would drive me insane trying to work out who's who in the zoo.

20

CA And you declared your readiness to walk, so to speak, meaning walk out of meetings because of a declaration of interest - that's what you meant, isn't it?

W Yes. Last Tuesday. As soon as I go through the agendas, I mark them off. That's when you can pick them. And I have often been on record in council when a debate has already - let's go back one step. A lot of the time, 98 per cent of the time, when something comes to council, it is officers' recommendation and they go through as officers' recommendations.

30

I really scrutinise over the top if there starts to be serious debate on a DA or something and I'm thinking, "This is ugly. I want to make doubly sure that I don't know anybody", and so I'll often to say to the planner, who sits on one side in a meeting, if planning is up on the agenda, or the CEO - and I've been on record of having terse disagreements with planners, going, "What's this? Who is that person? What is this?", because you've recognised something in it, whether it be a location or a name or something, and they'll say, "Oh, that's so and so", and I'll say, "Hey, stop, guys. CEO, you've got to record me as going. I'm leaving the room." It is difficult. It is extremely difficult. It is a problem in the system.

40

CA Another problem is that when that situation arises for you, and you feel the need to exclude yourself, you, as the Mayor, are not then participating in council business?

W Yes, and you don't have to-

CA It's symptomatic of the problem with the donation system, is it not?

50

W Absolutely. And you don't have to leave depending on the level of involvement. You can declare that you've got an interest, but you don't think it's an issue, and you can stay if you like. I don't think that should be up to the decision of the councillor. I've had instances, as Mayor, over the time, when I've had heated debate and asked people to leave the room and they've turned around and told me that it's their decision, not mine.

I think it should be a decision of the council, and the council can be the one that can decide whether you should walk from the room or not, not the individual.

CA In your experience, can individuals be relied on?

W In my experience, you usually find out after the fact.

10 CA Are people prepared to run the risk that that might happen? Is that within your experience?

W Over many, many years I have seen it happen from time to time, but you find out usually after the fact. I know in the first couple of years of amalgamation in Redcliffe, it was easy. We were a small community. I knew who was who in the zoo. After the amalgamation, in the first couple of years you had to have eyes in the back of your head, and you'd find out two years later that a development was approved and, "Didn't you know that they were so and so?" "No." It was a little bit problematic in the beginning. It's still-

20

CA Is there a bigger category of donors presenting this difficulty? Is it developers or is it wider than that?

W I know it's contrary to public belief, I get it, and I can understand the extreme suspicion of the public when it comes to donations, particularly developers. I do think, in a lot of instances, it has the reverse effect.

30

My honest opinion - for instance, you used the name David TRASK. I think as far as he's - he's one of the biggest developers in the region, has been for a long, long time, and was the biggest in Redcliffe, too. I would suspect that his involvement in my campaigns - and I think if he was in the room, he would most certainly say it - as far as his development applications go is to his detriment, because I think the organisation, be it the planners, go out of their way to make sure that there's no issues with any of his applications. So he probably gets a triple look at his issues.

40

The reason I believe - and I've talked to Paul and other Mayors about it on many occasions - that particularly developers donate - and as I said before, I appreciate that the public don't think this, and I get it, I understand why - donate to election campaigns is because if you haven't got a strong council and if you haven't got a strong Mayor, areas do wilt and wither.

50

And when I joined Redcliffe Council in 1994, Redcliffe was called "Deadcliffe" and a couple of other pretty horrible names, and it took a lot to turn that place around. I guess the development community in Redcliffe was more or less going broke because there was no development.

Moreton Bay Region in 2015 was the fastest-growing economy in Queensland, and I would suggest to anybody that part of that was the drive of the council. We went out of our way to attract people like Costco and IKEA and negotiate a successful rail line, and we're working on a university now, and that's our job as a council, to move economic development forward. The flip side of that is that it makes it a pretty

attractive environment for developers to build and sell houses when the place is booming.

CA Should donations be banned, Mr SUTHERLAND?

10 W I'll put it to you this way: I would hate to see donations banned if there was no alternative, because I dread the day that political parties take over local government. I think it's maybe on the horizon when I see the political activity in local authorities particularly in the south east at the moment, and I predicted that in 2008, that that would happen.

Let's be honest about it. If you are a state or federal member, you wouldn't want a hostile Mayor approaching an election, would you? And if you had someone of your same persuasion, so to speak, from the blue team or the red team, it would be advantageous to you. And I think that - my honest opinion, maybe not one that the parties share, is that their involvement in local government is more of a control issue than outcomes for the community, but that is a personal opinion.

20 CA Can I take you to the Moreton Futures Trust return. It has already been produced. It is Exhibit 49.

W To answer your question, I'd love to see donations banned if there was an alternative. I mightn't have said that distinctly enough-

CA No, you did.

30 W That would be a great outcome, but I don't know if the community is prepared to pay for that.

CA You are highlighting some dilemmas, aren't you?

W Yes, they're huge.

CA Conflicts that arise from donations?

W Absolutely.

40 CA As opposed to - what is the alternative?

W No-one wants to do - my opinion is most people don't want to do the wrong thing.

CA I've just shown you the Moreton Futures Trust return for the 2016 election. Have you seen that before?

W Yes.

50 CA When did you first look at it?

W During the course of the investigation.

CA Well, this year? In recent months, anyway?

W Yes.

- CA Recent months?
- W Yes.
- CA Whereas the election was-
- W I'm not sure whether it was my first interview or my second interview. The guy on the other side of the table - eyebrows flickered a bit when he asked me what was in it and I said I hadn't looked at it, and I think he thought I was having a lend of him. But I wasn't. I hadn't had a look at it.
- 10 CA That is really what I was going to come to. Did you make a point of looking at it, or not, after the election, after it was lodged?
- W After the election, no, I didn't, and I didn't really care. After the election, I was more intent on trying to get myself into some sort of shape that I didn't have to resign. I wasn't real flash. It was probably the last thing on my mind at that stage after the election.
- 20 CA The thing about these returns is that once they're lodged at the Electoral Commission, they're posted on the website and become public knowledge, don't they?
- W Correct.
- CA You say, I think, that you didn't want to know the contents of the return, or weren't interested?
- 30 W It's hard to have a conflict when you don't know who's there. But if you do know who's there, you've got a conflict. Do you walk or don't you walk? It presents one of the issues.
- CA Did you decide not to look at it for that reason?
- W It wasn't a conscious decision not to look at it. It just was a decision. I didn't - I didn't look at anything.
- 40 CA Could I suggest one of the problems with that is that once the Moreton Futures Trust return is made public, anyone in the world can go and look to see who has been donating large sums of money to your account and match it up with the contents of your personal return and see who's funding you; correct?
- W And they do, and they remind me on the internet, in chat columns and everything, all the time, and they do.
- CA So could I suggest that it is really unrealistic to think that if you don't look at it, there aren't perceptions created by the publication of this document showing, as it does, I suggest, a number of developers supporting you heavily?
- 50 W That's true. There is a number of developers supporting me heavily. I can't walk away from that.
- CA In the circumstances of the operation of this trust, which received

\$130,000 or so, paid you \$127,000 or thereabouts - they're not exact figures, but you got a large proportion of whatever they got?

W Yes.

CA Is it not the better course to then go back to this third party declaration, or return, and find out who has been donating to you rather than remain in ignorance when the rest of the world knows?

10 W I'm not in ignorance now. I haven't been in ignorance for some time.

CA But you told us you didn't see the need, at least, to go back to the return and look at it?

W It hadn't been such an issue as it has been since this investigation started and it really wasn't a high priority. It was something that I didn't - I wasn't worried about. And the reason I wasn't worried about it was because still, as we sit here at the moment, I believe that it was a big campaign, and in every campaign you do your best effort to try to comply with the rules that we've got.

20

Are the rules that we've got good? No, they're not, but they're the rules that we've got. I have spoken to Greg HALLAM from the LGAQ about it. I've spoken to our councillor lawyer about it. And the fact is - and it's an issue and I concede it - the issue is that you don't have to even walk if it goes through a thingo. That's up to you. That's a personal decision for yourself or myself to make if you're a councillor. As I would see it, it would very much depend on me whether there was a motive issue, what the thing was.

30

Since speaking, I've actually asked our planners on a couple of issues here, and one of them was Ushers. Ushers have a development in our PDA area, and I asked them what my concerns were, in that I know they donated to this, it's on there, but I was told that Usher's DAs are all in place for that area.

So, yes, you're mad if you don't have a look. And, as I said, after the election, I was happy to get through the election and I was not - it just wasn't in my head space to go charging around looking at things.

40

CA Would you accept that anyone who chose to make the comparison between this third party return of Moreton Futures Trust and your personal declaration of having received money from Moreton Futures Trust would reveal that the use of an intermediary, being the trust, does not conceal that you benefited heavily from developer donations to your campaign?

W It does, because they would have to, and they do - most people that are interested to look at things like that would then look up Moreton Futures' declaration, too. So if you're going to be interested enough to look at that - they're all online. It's not hard. You look at one. Who is Moreton Futures Trust? Then look up Moreton Futures Trust and see what they are. That's what's happening in the community as we speak.

50

CA Yes. What I am really suggesting is that the use of a trust is really ineffective in distancing you from the fact that property developers were

heavily donating to your campaign because it's evident from comparing your personal return with the Moreton Futures Trust return?

W And I would suggest that it wouldn't matter whether they donated to myself personally or this, as a rule, depending on the issue, I would probably walk.

PO Mr SUTHERLAND, why would you walk if you don't know who the donor is?

10

W Well, I do now.

PO You do now, but-

W Look, I was happy not to know. It's hard to have a conflict when you don't know who the donor is. But, you know, when we talked about this, when the investigation started, I don't know if it was before or after, I definitely made myself aware of everybody. I had a rough idea who was in there, because David would say, "I got some money off this fellow. I got some money off that." I knew Newcombe Holdings had put money in there. I didn't know Open Corp Project Management. And I know exactly what you're saying, and I concede that.

20

I actually rang up Greg HALLAM and said, "What's the rules and regulations on the trust?", and the advice I got very strongly was you don't necessarily have to walk, it's up to you, when it comes to things like that. But I concede what you say. I concede it. I understand it. That's why I don't like the whole system. I mean, no-one wants to be in this place, believe me.

30

CA It's really in the perception of the electors, isn't it? They're the ones who count, aren't they?

W Of course it is. I don't know any Mayor that wants to be in this position, to go out every election, rattling a can, trying to get money. And that's what I'm saying: my greatest fear is, at the end of the day it will be that hard for individuals like myself, I believe, true independents, to be able to run as Mayor in places like the Gold Coast, Moreton, Sunshine Coast - the large Brisbane, of course, is politically divided, but it will be almost impossible unless there is some form of funding or whatever, because it would be so easy, when you see in my backyard, for instance - and I have no problem with it; it's their business, but if a union puts in \$32,000 to one councillor's campaign, what would they put into a mayoral campaign? They might put \$300,000 or \$400,000 in if they knew they could get a Mayor across the line.

40

I don't want to see that happen. I don't think it is in the public's interest. The point is, somehow someone has to fund the campaign. I've said I think the system is broken, and I think what we've got is broken, and some of it is because of those disclosure issues.

50

CA Tell me this: now that you're aware of the contents of this list of donors, does that present you, or do you think that presents you, with any conflict dilemma concerning any applications that those donors might make to the council and your participation in that?

- W As I've said before many times, I've been in a position where I only have to declare an interest and I can still stay in the room. My track record has been to get out of the room, no matter what, and just go. It's not worth it.
- CA Okay, but-
- W You pointed out before, quite rightly so, that as a Mayor and a councillor, that presents problems. And as I said to you, poor Paul - 76 people. It presents all sorts of issues. And there have been issues that have come up where I've had to walk from the room, and gladly walk from the room, or maybe just declare and stay in the room.
- 10
- But in all consciousness, you could not stay in the room and participate vigorously in debate, no matter how much you wanted to, because you knew that that person was a financial donor. And that has happened to me on many, many occasions over the years when I've thought that decision was wrong, I don't agree with it, and I wished I was in a position to point out some things, but I wasn't. That's the system we've got.
- 20 CA We have been talking about these disclosure returns and the availability of information in them on a public basis. Did you know that a few days after the election, on the 24th of March Kirby LEEKE sent to the email account that you share with your wife a list of income to the trust and a list of expenses that had been paid on your behalf?
- W I would suggest to you on the 24th of March I wouldn't have known what day it was. I was in hospital on the Thursday night before the election. I had to take severe medication-
- 30 CA You were ill?
- W -to get to my election campaign meeting. I don't know what day the 24th was, but I know the day on the Wednesday I collapsed in the front street of Scarborough and had to be carried to my car, and the next month or so was probably the most difficult month in my entire life. To answer your question, I would not like to say yes or no, because I don't know.
- CA It would be better if I showed it to you.
- 40 W I really don't know.
- CA It would be better if I showed it to you. It is Exhibit 55. You can have a look.
- W Yes, yes.
- CA You will see there are attachments-
- W Yes.
- 50 CA -which include amounts expended amounting to \$110,000 and also a list of persons paying in to the total of \$136,000 to the trust?
- W Yes.
- CA And if you see that list of names, save for the one for Focus Pacific, they

correspond to the list of donors on the Moreton Futures Trust third party declaration?

W I'm sorry, can you repeat that?

CA Well, it is up on the screen. Do you see that list? That's the attachment that Mr LEEKE sent to your wife on your shared email account on the 24th of March-

10 W Yes.

CA -identifying the income to the trust and the identity of the donors?

W Yes.

CA And I am suggesting to you that they are the donors whose names appear on the Moreton Futures Trust third party declaration form.

20 W Obviously so.

CA In other words, it was in your email account on the 24th of March 2016?

W Obviously so. Yes.

CA Were you aware of that?

W No.

30 CA Is this the first time you have become aware of that?

W No, I've become aware of it during the course of this investigation.

CA But in recent times?

W Yes. I kept right away from that stuff. I didn't have anything to do with it.

CA It's on your email account, though, isn't it?

40 W I wouldn't have opened up - honestly, I'll look you straight in the face - I wouldn't have opened up an email from - I may have, but I was in no position whatsoever on the 24th of March to look, analyse. I had to get helped out of a chair. It is what it is, I'm sorry.

CA That is the evidence, Mr Chairman.

PO Thank you, Mr RICE.

Ms LONGBOTTOM?

50

LR Thank you, Commissioner.

Mayor SUTHERLAND, early on in your evidence you were asked some questions about groups of candidates and, in particular, whether or not you considered yourself to be part of a group with other councillors who were candidates in the 2016 election.

- W Correct.
- LR I think some of the names mentioned were Peter FLANNERY, Mike CHARLTON, Mick GILLAM, James HOUGHTON and Julie GREER?
- W Yes.
- 10 LR You stated that one of the reasons you do not consider yourself to be part of a group with those other councillors is because you do not vote as a group in council decision-making?
- W Correct.
- LR Are there any other reasons why you don't consider yourself to be part of a group with those other candidates in the 2016 election?
- 20 W Well, there was a list that we made out between us. There's a lot of reasons.
- LR Perhaps if you can just tell me in your own words why you think you weren't part of a group?
- W Well, we had no group platform, as such. There were no policies. There were no common policies. In fact, some of the policies argue against each other, and a couple of the things I platformed on my colleagues didn't agree with. That was one.
- 30 There was no election platform, as such. There were no common policies. There was no lead-out. There was - I didn't go to anybody else's campaign meetings, and from what I know, they didn't interface with each other's campaign meetings. In every way, in fundraising, in the development of policy platforms, there was nothing that we had that represented a group, nor did we want to be a group. No-one wanted to be beholden to each other.
- LR That's all, Commissioner. Thank you.
- 40 PO Thank you.
- Mr SUTHERLAND, thank you for coming. You are excused.
- W Thank you. Can I ask a question before I go, just a quick one?
- PO Yes.
- W Is there going to be any - I've got a lot of material here. Is there going to be any opportunity into the future to have some input into any possible change, in the form of will there be requests from the LGAQ, for instance, to recommend change, because there is a need - and a lot of things I haven't brought up, I think, that should be aired?
- 50 PO Yes, Mr HALLAM will give evidence next week about the broader policy issues, about possible recommendations to change the system to make it more transparent and accountable.

So one way you could achieve what I think you are wanting to achieve is to speak with the LGAQ about any recommendations you might have, or you are more than welcome to drop a submission to us, through your lawyers, if you like, about things that you'd like to see changed in the system.

10 You have spoken about some of those here today. We have made a note of those in the evidence. But if you feel you want to say more about that, please feel free to, as I say, make a submission.

W I would like to take that opportunity because I feel as though we've got the ability to change the system, but I don't want to see the baby thrown out with the bath water. And, as I said before, I don't want to see us end up with a situation where we don't have room for independent councillors in these larger - and Mayors - in these areas and I think we should preserve that with everything that we've got.

20 PO Mr SUTHERLAND, we would welcome a submission from you, because you have been around for a long time. You are very experienced. You know how the system works and what doesn't work, as you've told us today, so we would be appreciative of anything you want to tell us. But could I just impress upon you that the sooner we receive those submissions, the better.

W Okay, fine.

PO I won't put a time limit on it.

30 W No.

PO But I would encourage you to do it sooner rather than later, if you can.

W Okay. Thank you very much. Thank you.

PO Thank you.

Mr RICE, they are the only witnesses we have today?

40 CA Yes, Chairman.

PO As I understand it, we are proposing to resume the hearings next Wednesday, Thursday and Friday?

CA Yes.

PO All right, so we will adjourn. The witnesses for those days will be published on our website before then. All right, so we will adjourn the hearing now until next Wednesday morning at 10 o'clock.

50 HRO This hearing is adjourned.