

Privileges Committee

**Report on person referred to
in the Legislative Council
(Mr G Glossop)**

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Terms of Reference

The inquiry was conducted in accordance with standing orders 202 and 203, which were adopted by the Legislative Council on 5 May 2004: *Minutes of the Proceedings of the Legislative Council*, No 52, Wednesday 5 May 2004, Entry No. 10

Committee Membership

The Hon Peter Primrose MLC *Chair*

Australian Labor Party

The Hon Patricia Forsythe MLC *Deputy Chair*

Liberal Party

The Hon Tony Catanzariti MLC

Australian Labor Party

The Hon Amanda Fazio MLC

Australian Labor Party

The Hon Jennifer Gardiner MLC

National Party

The Hon Kayee Griffin MLC

Australian Labor Party

Revd The Hon Fred Nile MLC

Christian Democratic Party (Fred Nile Group)

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Report

- 1.1 On 27 June 2005 the President of the Legislative Council, the Honourable Dr Meredith Burgmann MLC, received a submission from Mr Graeme Glossop requesting the incorporation of a response under standing orders 202 and 203 of the Legislative Council relating to the protection of persons referred to in the Legislative Council.
- 1.2 The submission referred to statements made by Revd the Honourable Fred Nile MLC, during the adjournment debate in the Legislative Council on 2 March 2005.¹ The President, having considered the submission under standing order 202 (2), referred it to the Privileges Committee on 11 July 2005.
- 1.3 The Committee met in private session on 20 September 2005, and decided, according to standing order 203, to consider the submission. The response, which the Committee now recommends for incorporation in *Hansard*, has been agreed to by Mr Glossop and the Committee in accordance with standing order 203 (4)(b).
- 1.4 The Committee draws attention to standing order 203 (3)(b) which requires that, in considering a submission under the resolution, the Committee must not consider or judge the truth of any statements made in the House or in the submission.
- 1.5 The Committee recommends:

Recommendation 1

That a response by Mr Glossop, in the terms specified at Appendix 1, as agreed to by Mr Glossop and the Committee, be incorporated in *Hansard*.

The Hon. Peter Primrose MLC

Chair

¹ *Hansard*, 2 March 2005, p. 14447.

Appendix 1

**Response by Mr Glossop,
agreed to by Mr Glossop and
the Committee, according to
standing order 203 4 (b)**

Appendix 1

Reply to comments by Revd the Hon Fred Nile MLC in the Legislative Council on 2 March 2005

In the New South Wales Legislative Council on Thursday 2 March 2005, the Reverend the Honourable Fred Nile, gave a speech in defence of the Redeemer Baptist School in North Parramatta in respect to recent media reports. Revd Nile used as evidence his long-standing association with the Headmaster Dr Maxwell Shaw to rebuke any suggestion of impropriety by the school as alleged in media reports.

In the course of his speech Revd Nile praised the school for its academic record and claimed that I, together with a group of disgruntled former teachers, was attempting to seek financial benefit, and using a naïve media to extort money from the school.

The question of money has arisen over the loss of property and wages forgone over a considerable number of years. The teachers and staff had been working for reduced wages, in most circumstances, 20% of the award.

The teachers and staff at the school only entered into this arrangement with the elders as they were told “the school had a huge mortgage to pay off” and could not afford to pay the appropriate award wages under the Teacher (Independent Schools) (State) Award. However, after receiving the financial reports of the Redeemer Baptist School, lodged with the Australian Securities and Investment Commission, the teachers and staff soon learnt that the school was in a very healthy financial position posting \$4.2m, \$0.725m, net profit in 2002, 2003, financial years, respectively. The only loans associated with any debt were unsecured loans representative of teachers and staff loan accounts. There were no bank debts or mortgages to pay off. The public companies containing the assets and properties of the Redeemer Baptist Church had no secure mortgages registered over any of the titles, either with the Land Titles Office, or Australian Securities and Investment Commission.

The other part of the money claim arises out of the lack of transparency in the purchase of the properties accumulated by the Redeemer Baptist Church over a long period of time from members of the religious order. The structure of the organisation made it impossible for the return of capital to members of the religious order, or for them to be compensated on their departure.

The arrangement between the teachers and staff members that gave up their houses to purchase the school was such that the school, or church for that matter, never paid interest on any of the money lent to it by the teachers. Instead, the teachers and ancillary staff income was so low that they could not afford to live on it and they had to draw down on the loan accounts, supplementing their income. Each year, the school’s accountant would sign off the audited records, with special attention paid to the loan accounts of the teachers and staff. Each staff member would sign a document specifying the amount of capital drawn down per year.

The issues raised by the teachers and ancillary staff on their departure from the religious order, and school, in respect to breaches of the industrial relations act, required the assistance of a legal expert to determine whether or not their claims had merit. Our accounting firm has no expertise in any particular

area of industrial relations law, as we are accountants, not lawyers. Our recommendation was that these teachers contact an industrial relations solicitor to validate their claim of the loss of wages over the period of time they had worked for the school. The solicitors employed by the ex-teachers and staff of Redeemer Baptist School decided to pursue their claim for the loss of income and wages. I played no role whatsoever in determining whether or not these claims had legal merit or were worth pursuing. The credit that I have been given in this matter is that I have led this group of people to pursue justice and provided them with the resources to achieve this outcome.

The payments paid to teachers and staff that departed the religious order in November 2004 was their normal monthly stipend in respect to the preceding month. There were no other amounts of funds or money coming forward to pay termination, long service leave, or any other entitlements that would normally apply to an employee with a service record of 28, 15, and 10 years.

According to Dr Shaw there was plenty of money available. The money referred to by Dr Shaw was the loan accounts, the last remaining remembrance of their capital from the house they once owned. This money was to be made available on the teachers and staff members signing a legal release to release the school and church from all, and any litigation, now and into the future.

The industrial relations dispute arose mainly as a result of the manner in which Dr Shaw handled the matter. If the payments of the loan accounts had been paid straight away with an ex gratia payment to take into account the years of service and loss of their family home, a settlement could have been quickly reached.

There has been no attempt, via a legal claim, nor letter of demand, on my behalf to solicit money from the religious order or school. The first and foremost course of action has been to ascertain whether the teachers and staff that left the community in November 2004 gave rise to a legal claim in respect to the loss of wages and assets. This was the path pursued by the teachers and staff member in the initial stages. However, they were told to either take the money being offered to them now (return of their own capital), or receive nothing. This is a very powerful weapon in terms of the financial survival of this group. The media became an option of last resort. The first option was to help these people by getting the religious order to release money to them without any strings attached. The school refused categorically to hand over any funds without a legal release being signed. This meant that the teachers and staff members could not take any further legal action. The media campaign the Hon. Revd Nile refers to was part of the inaction of the religious order to make any concessions.

The campaign to have moneys released to the ex-teachers and staff members was initiated in the form of protests outside the school in December 2004. These protests were in the form of handing out photocopied newspaper articles to the parents of students attending the school. The protests brought out in the open the plight of ex-teachers and staff members.

On 23rd December 2004, after "letters of demand" from the ex-teachers and staff member, and a protest outside the end of year chapel service at Western Sydney University campus in Rydalmere, the religious order relinquished money held in loan accounts to the ex-teachers and staff member without the signing of a legal release.

Revd Nile also made reference to my changing position on Redeemer. Prior to November 2004, I was classified as "a friend of Redeemer" by Dr Shaw, and thereafter an enemy. Revd Nile is quite correct in his statement that I spoke "in glowing terms" about Redeemer. It is true that when my daughter was attending the school I could not speak more highly of Dr Shaw and the teachers who went to

extraordinary lengths to help each child reach their full potential. It took me two years before I would even entertain the idea of a derogatory word being said about the school, or Dr Shaw.

My perceptions changed when a retired barrister visited our office and talked to us about the school in respect to a young man who had committed suicide. Our reaction to this person's information was to ring the school and inform Dr Shaw of his visit to our office and the information he provided. It was the school's reaction to this incident which changed my perceptions of the school and those associated with it.

The Revd Nile makes mention of a web site set up long before the defections in November 2004:

They have established a web site called Redeemer Parents Association which, by the way, has no official connection with the school or the church; it is designed to destroy the school. The material on that site is just plain offensive.

The web site mentioned by Revd Nile has over 2,265 messages as of 25th June 2005. This web site has become a communication channel in relation to ex-members of the fellowship, students, and parents of the school to communicate with each other. These issues raised through this forum have been locked away within each ex-member that has left the community or school.