



LEGISLATIVE COUNCIL

STANDING COMMITTEE ON STATE DEVELOPMENT

# Allegations of impropriety against agents of the City of Canterbury Bankstown Council



Report 49

February 2023

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Standing Committee on State Development

# **Allegations of impropriety against agents of the City of Canterbury Bankstown Council**

Ordered to be printed 27 February 2023 according to Standing  
Order 238

**New South Wales. Parliament. Legislative Council. Standing Committee on State Development.  
Report no. 49**

Allegations of impropriety against agents of the City of Canterbury Bankstown Council

"February 2023".

Chair: The Hon Aileen MacDonald, MLC.



A catalogue record for this  
book is available from the  
National Library of Australia

ISBN 978-1-922960-22-1

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## Terms of reference

That the Standing Committee on State Development inquire into and report on matters in regards to the City of Canterbury Bankstown and the previous City of Bankstown Council, including:

- (a) any matters relating to integrity, processes of Council, employees and elected officials of Council, and
- (b) any other related matter.

The terms of reference for the inquiry were referred to the committee by the Hon Wendy Tuckerman MP, Minister for Local Government on 29 November 2022.<sup>1</sup>

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<sup>1</sup> *Minutes*, NSW Legislative Council, 21 December 2022, p 4005.

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## Committee details

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### Committee members

<b>Hon Aileen MacDonald MLC</b>	Liberal Party	<i>Chair</i>
<b>Hon Mark Banasiak MLC</b>	Shooters, Fishers and Farmers Party	
<b>Hon Scott Farlow MLC*</b>	Liberal Party	
<b>Hon John Graham MLC</b>	Australian Labor Party	
<b>Hon Taylor Martin MLC</b>	Liberal Party	
<b>Hon Mark Pearson MLC</b>	Animal Justice Party	
<b>Hon Chris Rath MLC**</b>	Liberal Party	
<b>Hon Penny Sharpe MLC***</b>	Australian Labor Party	

\* The Hon Scott Farlow MLC substituted for the Hon Scott Barrett MLC from 29 November 2022 for the duration of the inquiry.

\*\* The Hon Chris Rath MLC replaced the Hon Peter Poulos MLC as a substantive member of the committee from 21 February 2023. The Hon Chris Rath MLC substituted for the Hon Peter Poulos MLC from 14 December 2022 to 21 February 2023.

\*\*\* The Hon Penny Sharpe MLC substituted for the Hon Mick Veitch MLC from 19 December 2022 to 19 January 2023. The Hon Penny Sharpe MLC substituted for the Hon Mick Veitch MLC from 23 January 2023 for the duration of the inquiry.

\*\*\*\* The Hon Mark Latham MLC was a participating member from 12 December 2022 to 9 February 2023.

### Contact details

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### Secretariat

Emily Treeby, Principal Council Officer

Jessie Halligan, Principal Council Officer

Madolyn Hollins, Administration Officer

Merrin Thompson, Director

Madeleine Foley, Clerk Assistant - Committees

## Chair's foreword

On 24 November 2022, the Minister for Local Government, the Hon Wendy Tuckerman MP, wrote to me in my capacity as Chair of the Standing Committee on State Development to request an inquiry into allegations of impropriety made against agents of the City of Canterbury Bankstown Council and the previous City of Bankstown Council. The Minister referred terms of reference which were adopted by the committee on 29 November 2022.

This inquiry has been integral to unearthing numerous issues with the administration and leadership of the Canterbury Bankstown Council. The committee found that the close relationships between Councillors and property developers in the Canterbury Bankstown area may have influenced planning instruments and the positioning of infrastructure across the Council area. The committee regards this as a highly concerning and serious matter and has therefore recommended in this report that the committee refer these concerns to the Independent Commission Against Corruption.

Evidence to the inquiry also uncovered that property developers may be using shell companies to obfuscate their political donations to candidates for local government elections in order to sidestep the ban on political donations from property developers. The committee recommends that the NSW Government review the potential for candidates in local government elections to receive funds from property developers through shell companies, as well as from third party lobbying firms.

Another key issue which came to light during the inquiry was Councillors' entitlements. This was a result of the Council providing, in response to requests from the committee, thousands of pages of Councillors' expenses claims over many years. The Council's reimbursements of the Mayors' expenses for designer suits, a spa treatment on an overseas Council-funded trip, and his attainment of a Master of Business Administration are out of step with the community's expectations. The committee recommends that the Office of Local Government review the Guidelines for the payment of expenses and provision of facilities to Mayors and Councillors in New South Wales to ensure that they align with community expectations.

A separate issue which came to light through the committee's examination of documents requested from the Council is need for a requirement to disclose pecuniary interests relating to overseas and interstate property. The committee therefore recommends that the Office of Local Government review the Model Code of Conduct for Local Councils in New South Wales to ensure that the obligation to disclose pecuniary interests extends to overseas and interstate property interests.

In addition, the committee was troubled to discover that the Council misused Council resources to assist a NSW Labor candidate by releasing a media statement regarding Councillor Asfour's withdrawal as a candidate for election to the NSW Legislative Council in 2023. Councils should and must remain independent from supporting the political aspirations of any Councillor.

As I have noted already, the Council provided thousands of documents over several months on a voluntary basis. However, the timeframe in which documents were provided delayed the committee's capacity to examine them. In addition, key officers of the Council's executive leadership team appeared in mid-February 2023, despite having been first invited to appear at hearings as early as mid-December 2022.

The committee's examination of the issues has not been able to be as effective as it could have been if we had earlier access to information and evidence from key inquiry participants. The committee's capacity to investigate alleged impropriety has consequently been hindered, with the looming suspension of Legislative Council business from 3 March 2023 in the lead up to the State election. It follows that the



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committee recommends that the inquiry be re-established in the next Parliament to continue the examination commenced by this committee.

On behalf of the committee, I would like to thank all those who participated in the inquiry. I also thank my committee colleagues for their contributions, and the secretariat and Hansard for their assistance.

I commend this report to the House.



Hon Aileen MacDonald MLC  
**Committee Chair**

## Findings

- Finding 1** **9**  
There is evidence that Councillors of the City of Canterbury Bankstown Council have close relationships with property developers in the area. Furthermore, this has a strong potential to have influenced planning instruments and the positioning of infrastructure across the Canterbury Bankstown Council area.
- Finding 2** **10**  
Councillor Khal Asfour's expenses claims were outside the community's expectations.
- Finding 3** **11**  
The City of Canterbury Bankstown Council misused Council resources to assist a NSW Labor candidate.
- Finding 4** **11**  
The timeframe for the provision of documents delayed the committee's capacity to hold hearings and review documents. This has in turn affected the capacity of the inquiry to appropriately investigate allegations made by the member for Bankstown Tania Mihailuk MP.

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## Recommendations

### Recommendation 1

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That the Standing Committee on State Development refer the influence of property developers in the creation of planning instruments and the positioning of infrastructure in the City of Canterbury Bankstown Council to the Independent Commission Against Corruption, along with this report and committee transcripts of evidence, for investigation.

### Recommendation 2

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That the NSW Government review the potential for candidates in local government elections to receive funds from property developers through shell companies, including third party lobbying firms, contrary to the ban on political donations from property developers.

### Recommendation 3

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That the Office of Local Government review the:

- *Guidelines for the payment of expenses and provision of facilities to Mayors and Councillors in New South Wales* to ensure that they align with community expectations
- *Model Code of Conduct for Local Councils in New South Wales* to ensure that the obligation to disclose pecuniary interests extends to overseas and interstate property interests.

### Recommendation 4

11

That the Legislative Council re-establish the *inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council* in the 58th Parliament to enable the Standing Committee on State Development to further pursue current lines of inquiry.

## Conduct of inquiry

The terms of reference for the inquiry were referred to the committee by the Hon Wendy Tuckerman MP, Minister for Local Government, on 29 November 2022.

The committee did not call for submissions and resolved to accept and publish submissions on an as received basis. The committee received and published one submission.

The committee held four public hearings at the State Library of New South Wales on 21 December 2022, 6 February 2023, 13 February 2023 and 17 February 2023.

Inquiry related documents are available on the committee's website, including submissions, hearing transcripts, correspondence, answers to questions on notice and other documents.

### Procedural issues

A number of noteworthy procedural matters arose during this inquiry which are summarised below.

#### *Requests for documents*

The committee made two requests for documents from the City of Canterbury Bankstown Council. These requests, along with other correspondence, can be accessed on the inquiry webpage. Following a lengthy exchange of correspondence regarding the provision of the documents, the Council provided seven tranches of documents between 14 December 2022 and 21 February 2023, comprising approximately 20,000 pages. The documents fall into the following categories:

- Councillors' Claim Form for Reimbursement of Expenses and associated receipts and invoices, from 2004 to 2022
- pecuniary Interest Return Forms made by Councillors to City of Canterbury Bankstown Council and Bankston City Council between 2004 and 2022
- minutes from the Development Committee of the Council and ordinary meetings of the Council
- a copy of all Council reports related to overseas trips dating back to 2004
- a copy of the gift disclosure register for all Councillors dating back to 2004.

The committee also made requests to eight private companies to provide documents on a voluntary basis.

#### *Request for the committee to cover the costs associated with the Council voluntarily complying with a request for documents*

In a letter from the Council's legal representatives on 25 January 2023, the Council sought confirmation that the committee reimburse the Council for the reasonable costs in complying with the committee's requests for documents. In line with standard practice, the committee did not agree to cover any cost associated with the Council's fulfillment with the committee's requests.

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### ***Clerk's advice on committees' power to order state papers***

As part of its initial request for documents, the committee requested the Council provide 'All disclosures under the Public Interest Disclosure Act by Councillors to City of Canterbury Bankstown Council and Bankstown City Council'.

The Council's position in response to this request was that it could not produce the documents 'given the prohibition on the disclosure of identifying information' contained in section 64 of the *Public Interest Disclosure Act 2022* (NSW). It further asserted that the 'exceptions contained in section 64(2) of the PID Act do not cover the present circumstances such as to permit the Council providing disclosures made under the PID Act to the Standing Committee'.

The Chair sought the Clerk's advice on this matter. The Clerk's advice, dated 13 December 2022 (accessed on the inquiry webpage), indicated his belief that Legislative Council committees are on solid legal grounds to order the production of State papers, and that it is more likely than not that if tested in court, it would be found that local councils do hold State papers amenable to production by order of the Legislative Council and its committees. With respect to the *Public Interest Disclosures Act 1994*, the Clerk advised that it cannot be conceded that its provisions affect the common law powers of the Legislative Council and its committees, including the common law power to order the production of State papers. However, committees should give due and proper consideration to protecting the privacy of those making public interest disclosures.

These issues were not pursued further by the committee as part of this inquiry as the Council advised on 14 December 2022 that a search of its records revealed that there were no documents to provide that fall within this category.

### ***Summonses witnesses for a public hearing***

Mr Matthew Stewart, Chief Executive Officer at the City of Canterbury Bankstown Council, and Mr Ken Manoski, Director Corporate at the City of Canterbury Bankstown Council, were summoned to attend and give evidence at a public hearing held on 13 February 2023.

Mr Matthew Stewart and Mr Ken Manoski were represented by Sparke Helmore Lawyers during the inquiry. A letter dated 7 February 2023 from Sparke Helmore advised that it had been instructed to accept service of the summonses. The committee advised that under section 4 of the *Parliamentary Evidence Act 1901* a summons must be served personally on the subject of the summons.



# Chapter 1 Key issues

This report sets out the background to the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and the key findings of the committee in relation to the inquiry.

## Background to the inquiry

- 1.1 On 24 November 2022 the Hon Wendy Tuckerman MP, Minister for Local Government, wrote to the Standing Committee on State Development to consider terms of reference for an inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.
- 1.2 On 29 November 2022 the committee resolved to adopt the following terms of reference:
- That the Standing Committee on State Development inquire into and report on matters in regard to the City of Canterbury Bankstown and the previous city of Bankstown council, including:
- a. any matters relating to integrity, processes of council, employees and elected officials of council; and
  - b. any other related matter.<sup>2</sup>

### City of Canterbury Bankstown Council

- 1.3 The City of Canterbury Bankstown Council is constituted under the *Local Government Act 1993*. It was formed in May 2016 as a result of an amalgamation between City of Canterbury Council and the City of Bankstown Council.<sup>3</sup>
- 1.4 A key figure in this inquiry was the Mayor of the Council, Councillor Khal Asfour. Councillor Asfour was first elected to the former City of Bankstown Council in 2004 and held the role of Deputy Mayor from 2008 to 2011, and Mayor from 2011 to 2014 and again in 2015.<sup>4</sup>
- 1.5 In May 2017, Councillor Asfour was elected as the inaugural Mayor of the newly merged City of Canterbury Bankstown Council and remains in the position as of 27 February 2023.<sup>5</sup>

### Allegations raised in NSW Parliament concerning planning matters at City of Canterbury Bankstown Council

- 1.6 On 20 September 2022, Ms Tania Mihailuk MP, member for Bankstown, made a number of allegations in the NSW Parliament concerning planning matters at the Canterbury Bankstown

<sup>2</sup> *Minutes*, NSW Legislative Council, 21 December 2022, p 4005.

<sup>3</sup> Arthur Moses SC, 'Independent Review of the Investigation into Allegations concerning the Mayor of Canterbury Bankstown Council', 23 December 2022, p 1.

<sup>4</sup> City of Canterbury-Bankstown Council, Councillor Khal Asfour (ALP) – Mayor (2023), <https://www.cbcity.nsw.gov.au/council/mayor-councillors/councillor-khal-asfour>

<sup>5</sup> City of Canterbury-Bankstown Council, Councillor Khal Asfour (ALP) – Mayor (2023), <https://www.cbcity.nsw.gov.au/council/mayor-councillors/councillor-khal-asfour>

Council, as well as Councillor Khal Asfour's 'character and his unprincipled actions in furthering the interests of developers and identities'.<sup>6</sup> The planning matters in question included:

- the proposal that the West Terrace car park be redeveloped
- discrepancies in planning controls between sites, including the redevelopment of the Bellevue function center
- the West Terrace car park's reclassification from V2 zoning to 'open space'.<sup>7</sup>

1.7 On 21 September 2022, Ms Wendy Lindsay MP, Member for East Hills, also made allegations in the Parliament with respect to planning matters at Canterbury Bankstown Council. In particular, Ms Lindsay alleged that the Council had improperly engaged with developers<sup>8</sup> in relation to:

- the rezoning of Segars Avenue, Padstow
- the drafting of the Local Environmental Plan as it relates to East Hills
- discrepancies in Local Environment Plans.<sup>9</sup>

1.8 Ms Lindsay also claimed that Council had been less than transparent with local residents regarding development matters.<sup>10</sup>

### **Councillor Khal Asfour as a candidate for the NSW Legislative Council**

1.9 Councillor Asfour was selected as a candidate on the Legislative Council ticket for the Labor Party for the 2023 NSW State Election. Following media attention regarding the allegations aired in NSW Parliament, Councillor Asfour stepped down as a candidate for the NSW Legislative Council on 20 January 2023.<sup>11</sup>

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<sup>6</sup> *Hansard*, NSW Legislative Assembly, 20 September 2022, p 101 (Tania Mihailuk)

<sup>7</sup> *Hansard*, NSW Legislative Assembly, 20 September 2022, pp 101 – 102 (Tania Mihailuk)

<sup>8</sup> Arthur Moses SC, 'Independent Review of the Investigation into Allegations concerning the Mayor of Canterbury Bankstown Council', 23 December 2022, p 1.

<sup>9</sup> *Hansard*, Legislative Assembly, 21 September 2022, pp 113 – 114 (Wendy Lindsay)

<sup>10</sup> *Hansard*, Legislative Assembly, 21 September 2022, pp 113 – 114 (Wendy Lindsay)

<sup>11</sup> Ben Cubby and Lucy Cormack 'Mayor withdraws from upper house race over designer clothing receipts', *Sydney Morning Herald*, 20 January 2023, <https://www.smh.com.au/politics/nsw/mayor-withdraws-from-upper-house-race-over-designer-clothing-receipts-20230120-p5ceb.html>



## Media coverage

**1.10** Since the statements made in Parliament in September 2022, a number of media reports were published making further allegations regarding alleged impropriety at the City of Canterbury Bankstown Council. These include allegations that:

- Councillor Asfour used Council funds to pay his professional development costs, including a Masters of Business Administration (MBA) degree<sup>12</sup> said to cost \$48,000<sup>13</sup>
- Councillor Asfour misused council expense claims and charged the costs of a health spa treatment, alcohol and luxury clothes to Council<sup>14</sup>
- Councillor Asfour was reimbursed for parking costs to attend a Christmas party, a Health Services Union conference and the NSW Trades and Labour Council dinner<sup>15</sup>
- Councillor Asfour failed to disclose his directorship of a company as required under council policy<sup>16</sup>
- Canterbury Bankstown councillors and council staff travelled to North America in 2019 at a cost to ratepayers of almost \$146,000<sup>17</sup>
- a multibillion-dollar redevelopment plan for Bankstown's CBD, including 12,500 apartments and new businesses, would improperly benefit developers such as the owner of the Bellevue function center Mr Walhan Wehbe. Mr Wehbe was said to have originally acquired the function center for \$1 from Mr Hassam Achie, the financial controller of the Obeid family<sup>18</sup>
- Councillor Asfour accepted donations through a company owned by a property developer during local government elections.<sup>19</sup>

<sup>12</sup> Steve Marshall, 'Aussie mayor uses taxpayer money for study fees', *A Current Affair*, 20 October 2022, <https://9now.nine.com.au/a-current-affair/canterbury-bankstown-mayor-khal-asfour-taxpayer-money-study-fees/f005bee1-1936-48fa-af79-a4439d851957>

<sup>13</sup> Max Maddison, 'Mayor's degree via council expenses 'doesn't pass pub test'', *The Australian*, 11 October 2022, <https://www.theaustralian.com.au/nation/politics/mayors-degree-via-council-expenses-doesnt-pass-pub-test/news-story/835259784764c852eb2f29dfb78fbb1b>

<sup>14</sup> James O'Doherty, 'Sydney mayor's shock withdrawal amid 'smear campaign'', *The Daily Telegraph*, 20 January 2023.

<sup>15</sup> James O'Doherty, 'Ratepayers fund Mayor's parking', *The Daily Telegraph*, 23 January 2023.

<sup>16</sup> Max Maddison, 'NSW ALP candidate Khal Asfour 'secret directorship probed'', *The Australian* 15 November 2022, <https://www.theaustralian.com.au/nation/politics/nsw-alp-candidate-khal-asfours-secret-directorship-probed/news-story/7ad7689d31dcf72ffa52cfa7244d3078>

<sup>17</sup> Natassia Chrysanthos, 'Sydney council's \$150,000 American tour sparks push for transparency', *Sydney Morning Herald*, 21 November 2022 <https://www.smh.com.au/politics/nsw/sydney-council-s-150-000-american-tour-sparks-push-for-transparency-20221121-p5bzx1.html>

<sup>18</sup> Ben Cubby and Jordan Baker, 'Sale of the century': The \$1 deal and the mayor who knew nothing', *Sydney Morning Herald*, 26 November 2022, <https://www.smh.com.au/national/nsw/sale-of-the-century-the-1-deal-and-the-mayor-who-knew-nothing-20221124-p5c0va.html>

<sup>19</sup> Max Maddison, 'Donation raises questions for mayor', *The Australian*, 1 February 2023, <https://www.theaustralian.com.au/nation/politics/donation-raises-questions-for-canterburybankstown-mayor-khal-asfour/news-story/3ac2a90c68e25588685bb528803a6944>

## Investigative processes

- 1.11** In addition to this inquiry conducted by the State Development Committee, there have been a number of other investigations and reviews into the allegations made against Councillor Asfour and the City of Canterbury Bankstown Council. These investigations, reviews and referrals have been conducted by the Independent Commission Against Corruption (ICAC), SINC Solutions, Arthur Moses SC and the NSW Electoral Commission.
- 1.12** There was also an investigation by the committee of an unauthorised leak of information from the committee.

### Independent Commission Against Corruption

- 1.13** Between 2013 and 2022 a number of allegations regarding potential impropriety at Canterbury Bankstown Council were referred to ICAC. These are detailed below.
- On 25 November 2013, a report was made to ICAC by the General Manager of Bankstown Council regarding alleged inappropriate conduct by a Council official in relation to the West Terrace Car Park tender process. On 13 December 2013, ICAC wrote to Council advising that it would not investigate the matter.
  - On 2 January 2014, a report was made to ICAC by the General Manager regarding alleged inappropriate conduct by a Council official and requesting that ICAC interview the person making the allegations. On 20 January 2014, ICAC wrote to Council advising that it would not investigate the matter.
  - On 22 April 2021, another report was made to ICAC by the General Manager. On 22 June 2021, ICAC wrote to Council advising that they would not investigate the matter.
  - On 14 May 2021, Ms Mihailuk made a public submission on the Bankstown City Centre Masterplan. The submission identified concerns regarding the Masterplan process and peculiarities in the building height limits, and criticised Councillor Asfour for declaring a conflict of interest but continuing to support the masterplan. On 5 July 2021, the General Manager wrote to ICAC providing a copy of Ms Mihailuk's submission. On 20 August 2021, ICAC wrote to the Council advising that it would not investigate the matter.
  - On 10 December 2021, the General Manager wrote to ICAC regarding alleged inappropriate conduct. On 25 February 2022, ICAC wrote to Council advising that it would not investigate the matter.
  - In December 2022, Councillor Asfour wrote to ICAC regarding statements made by Ms Mihailuk and Ms Lindsay under parliamentary privilege.<sup>20</sup>

### SINC Solutions

- 1.14** Following the allegations made by Ms Mihailuk and Ms Lindsay in the Parliament concerning Councillor Asfour, Canterbury Bankstown Council and Council staff, the Council engaged consulting firm SINC Solutions to conduct an independent investigation.

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<sup>20</sup> SINC Solutions, 'City of Canterbury Bankstown: Report into statements made under Parliamentary Privilege by Ms Mihailuk MP and Ms Wendy Lindsay MP', 20 December 2022, pp 54-55.

- 1.15** On 20 December 2022, SINC Solutions released a report addressing the following matters:
- whether Ms Mihailuk or Ms Lindsay raised these allegations or complaints directly with the Council
  - the appropriateness of the steps taken by the Council when it became aware of the allegations
  - any steps taken by the Council to deal with matters relating to probity and corporate governance arising from the allegations
  - what steps or otherwise the Council should take in relation to the allegations.<sup>21</sup>
- 1.16** The SINC Solutions Report concluded that 'there is no governance, probity or conduct issues relating to Council Officials'.<sup>22</sup>

### **Review by Arthur Moses SC**

- 1.17** In September 2022, the City of Canterbury Bankstown Council engaged barrister Mr Arthur Moses SC to review the SINC Solutions independent investigation into allegations concerning Councillor Asfour, the Council and Council staff.<sup>23</sup> On 10 January 2023, Mr Moses released his review. A copy of the report was provided to ICAC and the Minister for Local Government.<sup>24</sup>
- 1.18** Mr Moses reviewed SINC Solutions' investigation to ascertain whether there was any evidence of any unlawful or corrupt conduct by elected officials or Council employees. In his conclusion, Mr Moses found the evidence showed that Councillor Asfour had 'diligently' fulfilled his obligations under the Code of Conduct.<sup>25</sup>

### **NSW Electoral Commission**

- 1.19** In February 2023, the Hon Alister Henskens MP, Minister for Investment and Trade, wrote to the NSW Electoral Commissioner calling for an investigation into a \$6,600 donation from a Bankstown business owner and property developer to Councillor Asfour's 2021 local government campaign, which the Minister claimed could be a violation of NSW electoral laws.<sup>26</sup> The outcome of this referral is unknown.

<sup>21</sup> SINC Solutions, 'City of Canterbury Bankstown: Report into statements made under Parliamentary Privilege by Ms Mihailuk MP and Ms Wendy Lindsay MP', 20 December 2022.

<sup>22</sup> SINC Solutions, 'City of Canterbury Bankstown: Report into statements made under Parliamentary Privilege by Ms Mihailuk MP and Ms Wendy Lindsay MP', 20 December 2022, p 3.

<sup>23</sup> Media release, City of Canterbury Bankstown, 'Media Statement', 23 September 2023, <https://www.cbcity.nsw.gov.au/media/news/media-statement>

<sup>24</sup> Media release, City of Canterbury-Bankstown Council, 'Media Alert', 10 January 2023, <https://www.cbcity.nsw.gov.au/media/news/media-alert>

<sup>25</sup> Media release, City of Canterbury-Bankstown Council, 'Media Alert', 10 January 2023, <https://www.cbcity.nsw.gov.au/media/news/media-alert>

<sup>26</sup> Max Maddison, 'NSW minister urges electoral commission probe into Asfour donation', 5 February 2023, <https://www.theaustralian.com.au/nation/politics/nsw-minister-urges-electoral-commission-probe-into-asfour-donation/news-story/579cc11a588f48a301e2c0b7bded6959>

## Key issues raised during evidence

- 1.20** At the public hearings conducted by this committee, the evidence focused mostly on allegations of impropriety against Councillor Asfour. The allegations related to the matters reported in the media in late 2022 and early 2023,<sup>27</sup> as well as the allegations made under parliamentary privilege by Ms Mihailuk, member for Bankstown, and Ms Lindsay, member for East Hills.<sup>28</sup>
- 1.21** The allegations centre around three key issues. The first related to councillors' reimbursement for allowable expenses. In relation to Councillor Asfour in particular, the most troubling concerns were that Councillor Asfour:
- used Council funds to pay for his Master of Business Administration degree on the grounds it was deemed to be professional development activity eligible to be reimbursed by Council<sup>29</sup>

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<sup>27</sup> See, for example, Max Maddison, 'NSW minister urges electoral commission probe into Asfour donation', 5 February 2023; Ashleigh Raper and Rani Hayman, 'Labor's Tanya Mihailuk criticizes potential candidate, Canterbury-Bankstown mayor Khal Asfour', *ABC News*, 21 September 2022; Alexandra Smith and Kate McClymont, 'Minns warns Mihailuk to stop attacks on colleagues', *Sydney Morning Herald*, 23 September 2022; Max Maddison, 'Mayor's degree via council expenses 'doesn't pass pub test'', *The Australian*, 11 October 2022; Max Maddison, 'Double the trouble: Labor mayor Khal Asfour faces more scrutiny', *The Australian*, 13 October 2022; Steve Marshall, 'Aussie mayor uses taxpayer money for study fees', *A Current Affair*, 20 October 2022; Max Maddison, 'NSW ALP candidate Khal Asfour 'secret directorship probed'', *The Australian* 15 November 2022; Natassia Chrysanthos, 'Sydney council's \$150,000 American tour sparks push for transparency', *Sydney Morning Herald*, 21 November 2022; James O'Doherty, 'Mayor faces more scrutiny', *The Daily Telegraph*, 25 November 2022; Ben Cubby and Jordan Baker, 'Sale of the century': The \$1 deal and the mayor who knew nothing' *Sydney Morning Herald*, 26 November 2022; Ashleigh Raper, 'Parliamentary inquiry ordered into NSW Labor candidate Khal Asfour allegations', *ABC News*, 29 November 2022; Jordan Baker, 'Key council staff refuse to appear at inquiry into claims of 'impropriety'', *Sydney Morning Herald*, 18 December 2022; Jordan Baker, 'This is payback': Mayor says he is political target after criticizing Western Sydney lockdowns', *Sydney Morning Herald*, 21 December 2022; Ben Cubby and Jordan Baker, 'Council-ordered investigation clears mayor of corruption, Obeid links', *Sydney Morning Herald*, 10 January 2023; James O'Doherty, 'Labor candidate all clear on corruption claims, inquiry finds', *The Daily Telegraph*, 10 January 2023; James O'Doherty, 'Sydney mayor's shock withdrawal amid 'smear campaign'', *The Daily Telegraph*, 20 January 2023; Ben Cubby and Lucy Cormack, 'Minns says Asfour's decision to charge ratepayers for clothing, items 'not acceptable'', *Sydney Morning Herald*, 20 January 2023; Ben Cubby and Lucy Cormack, 'Mayor withdraws from election race over clothing receipts', *Sydney Morning Herald*, 21 January 2023; Max Maddison, 'Jailed Obeid called to inquiry on mayor', *The Australian*, 21 January 2023; James O'Doherty, 'Ratepayers fund Mayor's parking', *The Daily Telegraph*, 23 January 2023; Tom Rabe and Alexandra Smith, 'NSW Labor boss in move to upper house', *Sydney Morning Herald*, 26 January 2023; Max Maddison, 'Donation raises questions for mayor', *The Australian*, 1 February 2023.

<sup>28</sup> *Hansard*, NSW Legislative Assembly, 20 September 2022, pp 101 – 102 (Tania Mihailuk), *Hansard*, Legislative Assembly, 21 September 2022, pp 113 – 114 (Wendy Lindsay).

<sup>29</sup> Evidence, Councillor Khal Asfour, Mayor City of Canterbury-Bankstown Council, 21 December 2022, pp 5-7.

- made numerous international visits in his capacity as a Council representative and claimed reimbursement of allowable expenses during those trips, such as a float tank spa treatment in Tokyo, Japan<sup>30</sup>
- used Council funds to reimburse his clothing expenses such as designer suits.<sup>31</sup>

**1.22** The second key issue was the potential influence of property developers and agents of impropriety in Canterbury Bankstown Council's planning processes and decisions, such as in relation to the rezoning of the West Terrace Carpark and the Bellevue Venue and the windfall gains of property developers.<sup>32</sup>

**1.23** The third key issue related to donations from property developers to local government election campaigns, contrary to the ban on political donations from property developers. Namely, at the second hearing with Councillor Asfour, the committee examined allegations relating to Councillor Asfour's acceptance of donations to his local government election campaign from property developer Mr David Fam through retailers in a complex owned by Mr Fam.<sup>33</sup>

**1.24** At the hearing on 6 February 2023, Councillor Asfour stated the following in response to questions about this matter:

The Hon. CHRIS RATH: I assume you've read that article. I think you alluded to it in your opening statement. The illegal donations from David Fam via Mr Bingsoo—the trading name now called Snow Blossom— what's your response to the article and those allegations?

KHAL ASFOUR: I have not accepted a donation from Mr David Fam. I accepted a donation from Bingsoo Pty Ltd, which is a dessert store in Bankstown.

The Hon. CHRIS RATH: Owned by David Fam?

KHAL ASFOUR: Not that I'm aware of.

The Hon. CHRIS RATH: What's your relationship with David Fam?

KHAL ASFOUR: I know David Fam. I don't have a relationship with David Fam. I have not seen David Fam for—I don't know—three or four years. I don't have a relationship with David.

The Hon. CHRIS RATH: You would not classify him as a friend?

KHAL ASFOUR: No. The Hon.

CHRIS RATH: Has he helped on your campaigns?

<sup>30</sup> Evidence, Councillor Khal Asfour, Mayor City of Canterbury-Bankstown Council, 6 February 2023, pp 16-17.

<sup>31</sup> See for example, Correspondence from City of Canterbury Bankstown Council to Chair, Councillor Claim Forms, 20 January 2023, pp 48, 49, 50, 52, 82, 83, 115, 116, 117, 143, 144, 153, 158, 206, 207.

<sup>32</sup> Evidence, Mr Simon Manoski, Individual, 17 February 2023, pp 11-12.

<sup>33</sup> Evidence, Councillor Khal Asfour, Mayor City of Canterbury-Bankstown Council, 6 February 2023, pp 7 - 13.

KHAL ASFOUR: No.

The Hon. CHRIS RATH: So you weren't aware at the time that David Fam had part ownership of Mr Bingsoo?

KHAL ASFOUR: And I'm still not aware that he does. I haven't seen anything to tell me that he did or had.<sup>34</sup>

**1.25** In addition, at the public hearing on 6 February 2023, Councillor Asfour stated the following in response to questions about using Council resources to issue a media release relating to his candidacy for the March 2023 election to the NSW Legislative Council:

The Hon. TAYLOR MARTIN: Mr Asfour, when you resigned from Labor's upper House ticket it was inappropriately put on Canterbury Bankstown council letterhead—that media release. Why were council facilities and staff used to assist you in managing your candidacy for Labor's upper House ticket at the upcoming State election?

KHAL ASFOUR: Can you show me that? I wasn't in the country at the time and I don't know what was presented to the media, or to anyone, for that matter.

The Hon. TAYLOR MARTIN: There is a media release on council letterhead which solely discusses your resignation from Labor's upper House ticket.

KHAL ASFOUR: If you say so.

The Hon. TAYLOR MARTIN: It was circulated. It was from your office.

KHAL ASFOUR: I am not saying no. I am saying I haven't seen it and I wasn't in the country at the time.

The Hon. TAYLOR MARTIN: Who did you liaise with in the mayor's office or council's communications team about putting that statement out?

KHAL ASFOUR: I wrote the statement and I sent it to council's communications team because, as an upper House candidate at the time and as the mayor of the city, I thought it was appropriate for the ratepayers to know that.

The Hon. TAYLOR MARTIN: For them to know that? Yes, it is true that it should be communicated from you, but did anyone in that communications team flag with you that this is a personal issue for you and not for the council to assist your candidacy?

KHAL ASFOUR: No, it wasn't assisting my candidacy; it was ending my candidacy.

The Hon. TAYLOR MARTIN: Nonetheless, should ratepayers really pay staff to assist in your personal candidacy? Do you think that's appropriate?

KHAL ASFOUR: No, I don't.

The Hon. TAYLOR MARTIN: Why didn't you release it personally on your own social media or through a private email address or something, rather than get the council team to assist in your affairs?

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<sup>34</sup> Evidence, Councillor Khal Asfour, Mayor City of Canterbury-Bankstown Council, 6 February 2023, pp 7-8.

KHAL ASFOUR: I was overseas at the time and had limited internet and it was done that way. Again, I didn't—

The Hon. TAYLOR MARTIN: An oversight?

KHAL ASFOUR: I didn't know or see anything on letterhead.<sup>35</sup>

- 1.26** These issues were explored across the committee's four hearings on 21 December 2022, 6 February 2023, 13 February 2023 and 17 February 2023, transcripts of which are available on the inquiry webpage.<sup>36</sup>

## Committee comment

- 1.27** This inquiry was held in the interests of transparency. Serious allegations were made under parliamentary privilege and aired in the media which had the potential to erode public trust in local government. The aim of this inquiry was to use the committee's powers to get to the bottom of these serious allegations as they relate to the City of Canterbury Bankstown Council.
- 1.28** The inquiry considered the influence of property developers in relation to planning approvals by the Canterbury Bankstown Council. Developers have a responsibility to act lawfully and be transparent in all their dealings together with respecting the community. Councillors should not progress the Council's plans and strategies based upon their personal relationships with developers as this ultimately erodes any confidence in the Council and the planning system.
- 1.29** The committee has found that councillors of the Canterbury Bankstown Council, and in particular Councillor Khal Asfour, have close relationships with property developers. This may have influenced planning instruments and the positioning of infrastructure across the Canterbury Bankstown Council area, and we recommend that the Independent Commission Against Corruption investigate the matter.

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### Finding 1

There is evidence that Councillors of the City of Canterbury Bankstown Council have close relationships with property developers in the area. Furthermore, this has a strong potential to have influenced planning instruments and the positioning of infrastructure across the Canterbury Bankstown Council area.

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<sup>35</sup> Evidence, Councillor Khal Asfour, Mayor City of Canterbury-Bankstown Council, 6 February 2023, p 14.

<sup>36</sup> Standing Committee on State Development, *Hearings and transcripts*, Legislative Council of New South Wales, <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2907#tab-hearingsandtranscripts>

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**Recommendation 1**

That the Standing Committee on State Development refer the influence of property developers in the creation of planning instruments and the positioning of infrastructure in the City of Canterbury Bankstown Council to the Independent Commission Against Corruption, along with this report and committee transcripts of evidence, for investigation.

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- 1.30** In addition, we heard evidence that local government election campaigns may be receiving funds from property developers, in particular through shell companies, contrary to the ban on political donations from property developers. This ban was introduced to prevent property developers having undue influence on planning decisions which favour developers' interests. We recommend that the NSW Government review this issue.
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**Recommendation 2**

That the NSW Government review the potential for candidates in local government elections to receive funds from property developers through shell companies, including third party lobbying firms, contrary to the ban on political donations from property developers.

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- 1.31** Through the committee's requests for documents, the spending habits of Councillor Asfour came to light. The committee was troubled to discover that he had used Council funds to pay for expenses including a float tank spa treatment while on a Council funded trip to Tokyo, Japan and designer suits, as well as to cover the cost of his Masters of Business Administration degree. Councillor Asfour said in his defence that all expenses were within Council's policy and guidelines. However, this application of the policy is not in line with community expectations.
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**Finding 2**

Councillor Khal Asfour's expenses claims were outside the community's expectations.

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- 1.32** The committee is concerned that this loose spending of ratepayer funds may not be isolated to the City of Canterbury Bankstown Council. There may also be gaps in the requirements to disclose pecuniary interests relating to overseas and interstate property. We recommend the Office of Local Government review governing policies in relation to these matters.
- 

**Recommendation 3**

That the Office of Local Government review the:

- *Guidelines for the payment of expenses and provision of facilities to Mayors and Councillors in New South Wales* to ensure that they align with community expectations
  - *Model Code of Conduct for Local Councils in New South Wales* to ensure that the obligation to disclose pecuniary interests extends to overseas and interstate property interests.
-



- 1.33** Not only was there evidence about the influence of property developers in relation to planning approvals by the Canterbury Bankstown Council, but we were also troubled to learn about the links between the Council and the NSW Labor Party. It came to light that Council resources had been expended to release a media statement regarding Councillor Asfour's withdrawal as a candidate for election to the NSW Legislative Council in 2023. We find that the Council misused Council resources to assist a NSW Labor candidate.

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**Finding 3**

The City of Canterbury Bankstown Council misused Council resources to assist a NSW Labor candidate.

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- 1.34** As summarised at the start of this report, the committee made several requests for documents from the Council. These documents were in the thousands and spanned many years. We acknowledge the Council administrative staff who worked to provide the documents. In addition, the committee sought to hold a hearing with executive officers from the Council in December 2022. Ultimately, the Council provided some but not all documents at a frustratingly slow pace and executive officers from the Council finally appeared before the committee to give evidence under summons in February 2023. Unfortunately, this left us little time to pursue these matters due to the suspension of Legislative Council business from 3 March 2023 in the lead up to the State election. This affected the committee's capacity to fully investigate allegations made by the member for Bankstown Tania Mihailuk MP and we recommend that this inquiry be re-established in the next Parliament to pursue these matters.

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**Finding 4**

The timeframe for the provision of documents delayed the committee's capacity to hold hearings and review documents. This has in turn affected the capacity of the inquiry to appropriately investigate allegations made by the member for Bankstown Tania Mihailuk MP.

**Recommendation 4**

That the Legislative Council re-establish the *inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council* in the 58th Parliament to enable the Standing Committee on State Development to further pursue current lines of inquiry.



## Appendix 1 Submission

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No.	Author
1	Name suppressed

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## Appendix 2 Witnesses at hearing

<b>Date</b>	<b>Name</b>	<b>Position and Organisation</b>
<b>Wednesday 21 December 2022</b> <b>Dixson Room</b> <b>State Library of New South</b> <b>Wales, Sydney</b>	Councillor Khal Asfour	Mayor, City of Canterbury Bankstown Council
<b>Monday 6 February 2023</b> <b>Dixson Room</b> <b>State Library of New South</b> <b>Wales, Sydney</b>	Councillor Khal Asfour	Mayor, City of Canterbury Bankstown Council
<b>Tuesday 13 February 2023</b> <b>Dixson Room</b> <b>State Library of New South</b> <b>Wales, Sydney</b>	Mr Matthew Stewart  Mr Ken Manoski	Chief Executive Officer, City of Canterbury Bankstown Council  Director of Corporate Services, City of Canterbury Bankstown Council
<b>Friday 17 February 2023</b> <b>Dixson Room</b> <b>State Library of New South</b> <b>Wales, Sydney</b>	Councillor Bilal El-Hayek  Mr Simon Manoski	Councillor, City of Canterbury Bankstown Council  Individual

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## Appendix 3 Minutes

### Minutes no. 19

Thursday 29 November 2022

Standing Committee on State Development

Via videoconference, 10.02 am

#### 1. Members present

Mrs MacDonald, *Chair* (via Webex)

Mr Veitch, *Deputy Chair* (via Webex)

Mr Banasiak (via Webex)

Mr Farlow (substituting for Mr Barret for the duration of the inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council) (via Webex)

Mr Graham (via Webex)

Mr Martin (via Webex)

Mr Pearson (via Webex)

Mr Poulos (via Webex)

#### 2. Previous minutes

Resolved, on the motion of Mr Veitch: That draft minutes no. 18 be confirmed.

#### 3. Correspondence

The committee noted the following items of correspondence:

##### *Received:*

- 24 November 2022 – Letter to Mrs Aileen MacDonald, Chair, from the Hon Wendy Tuckerman MP, Minister for Local Government, requesting the committee to consider terms of reference for an inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council.

#### 4. Consideration of ministerial terms of reference

The Chair tabled the following terms of reference received from the Hon Wendy Tuckerman MP, Minister for Local Government, on 24 November 2022:

That the Standing Committee on State Development inquire into and report on matters in regards to the City of Canterbury Bankstown and the previous City of Bankstown Council including:

- (a) any matters relating to integrity, processes of council, employees and elected officials of Council, and
- (b) any other related matter.

Mr Veitch moved: That the committee write to the Minister for Local Government, requesting that the terms of reference from the Minister, dated 24 November 2022, be amended as follows:

That the Standing Committee on State Development inquire into and report on matters regarding:

- (1) The City of Canterbury Bankstown and the previous City of Bankstown Council including:
  - (a) Any matters relating to integrity, processes of Council, Employees and Elected Officials of Council,
- (2) The Hills Shire Council:
  - (b) The matters relating to The Hills Shire Council raised by the Member for Castle Hill in a speech to the parliament on 23rd June 2022, and
- (3) Any other related matter.

Question put.

The committee divided.

Ayes: Mr Banasiak, Mr Graham, Mr Pearson, Mr Veitch.

Noes: Mr Farlow, Mrs MacDonald, Mr Martin, Mr Poulos

Question resolved in the negative on the casting vote of the Chair.

Resolved, on the motion of Mr Farlow: That the committee adopt the terms of reference.

## 5. Conduct of the inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council

### 5.1 Hearing dates and proposed witnesses

Resolved, on the motion of Mr Farlow: That the committee:

- not call for submissions
- hold two days of hearings in the week commencing 12 December 2022, the dates of which are to be determined by the Chair after consultation with members regarding their availability
- have until Thursday 1 December to advise the secretariat of proposed witnesses to be invited to the hearings.

## 6. Adjournment

The committee adjourned at 10.23 am, *sine die*.

Emily Treeby

**Committee Clerk**

## Minutes no. 20

Friday 16 December 2022

Standing Committee on State Development

Via videoconference, 9.00 am

### 1. Members present

Mrs MacDonald, *Chair* (via Webex)

Mr Veitch, *Deputy Chair* (via Webex)

Mr Banasiak (via Webex)

Mr Farlow (*substituting for Mr Barrett*) (via Webex)

Mr Graham (via Webex)

Mr Martin (via Webex)

Mr Pearson (via Webex)

Mr Rath (substituting for Mr Poulos for the duration of the inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council) (via Webex)

### 2. Previous minutes

Resolved, on the motion of Mr Farlow: That draft minutes no. 19 be confirmed.

### 3. Correspondence

The committee noted the following items of correspondence:

#### **Received:**

- 6 December 2022 – Letter from Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, to Chair, regarding invitation to appear at a hearing and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 8 December 2022 – Letter from Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, to Chair, regarding invitation to appear at a hearing and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 9 December 2022 – Letter from Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, to Chair, regarding invitation to appear at a hearing and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 9 December 2022 – Letter from Mr Khal Asfour, City of Canterbury Bankstown Council, to Chair, regarding invitation to appear at a hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 13 December 2022 – Letter from Mr David Blunt, Clerk of Parliament, and Clerk of the Legislative Council, regarding a request for advice on a matter relating to the provision of documents requested by the committee from the City of Canterbury Bankstown Council for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 14 December 2022 – Letter from Ms Emma Roberts, General Counsel, City of Canterbury Bankstown Council, to Chair, regarding invitation to appear at a hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council on 16 December 2022
- 14 December 2022 – Letter from Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, to Chair, regarding request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

***Sent:***

- 2 December 2022 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, regarding invitation to appear at a hearing and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 12 December 2022 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, regarding invitation to appear at a hearing and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 12 December 2022 – Letter from Chair to Mr David Blunt, Clerk of the Parliaments and Clerk of the Legislative Council, regarding a request for advice on a matter relating to the provision of documents requested by the committee from the City of Canterbury Bankstown Council for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 12 December 2022 – Letter from Chair to Mr Khal Asfour, City of Canterbury Bankstown Council, regarding invitation to appear at a hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

**4. Inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council****4.1 Partially confidential submission**

Resolved, on the motion of Mr Banasiak: That the committee authorise the publication of submission no. 1, with the exception of author's name as per the request of the author.

**4.2 Submission outside terms of reference**

Resolved, on the motion of Mr Rath: That the committee not accept and return the submission from Lancelot Davids received on 14 December 2022.

**4.3 Public hearing on 21 December 2022*****(a) Urgent committee activity***

The Chair confirmed via email that the committee will hold a hearing on 21 December 2022 in order to accommodate witness availability.

As per resolution of the House, 21 to 23 December 2022 is a 'committee activity free' period, unless otherwise ordered, or a committee resolves that a committee activity is urgent.

Resolved, on the motion of Mr Farlow: That the hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council scheduled on 21 December 2022 is urgent committee activity and proceed.

***(b) Additional witnesses***

On 14 December 2022, general counsel for the City of Canterbury Bankstown Council wrote to the Chair advising that Mr Matthew Stewart and Mr Ken Manoski do not agree to the invitation of the committee to attend the public hearing on 16 December 2022 and withdraw their earlier expression of willingness to attend.

The Chair confirmed via email on 15 December 2022 that the hearing on 16 December 2022 would not proceed.

Resolved, on the motion of Mr Farlow: That the Chair write to the Council on behalf the committee:

- responding to the concerns raised by the Council in its letter dated 14 December 2022 and provide an indication of the nature of the questions and any specific matters, concerns or allegations the committee seeks to traverse at a public hearing with Mr Matthew Stewart and Mr Ken Manoski, stating the following:
  - "In response to these concerns, the committee advises that the intention of the committee is to ask questions relating to councillor entitlements, councillor disclosures, councillor expenses and policies relating to councillors."
- inviting Mr Matthew Stewart and Mr Ken Manoski to appear at a public hearing in the afternoon of 21 December 2022 (subject to any possible sitting of the House)
- noting the committee's power to issue a summons to the witnesses should they again decline to attend a public hearing.

***(c) Legal representatives for witnesses from the City of Canterbury Bankstown Council***

The committee previously agreed via email to allow:

- Mr Matthew Stewart and Mr Ken Manoski to be accompanied by and, if necessary, consult legal representatives (Mr Bilal Rauf of Counsel and Ms Julie Kneebone of Sparke Helmore Lawyers) at the hearing on 16 December 2022
- Mr Khal Asfour to be accompanied by and, if necessary, consult legal representatives (Mr James Riley and legal counsel) at the hearing on 21 December 2022.

Resolved, on the motion of Mr Veitch: That the request by Mr Matthew Stewart, Mr Ken Manoski and Mr Khal Asfour to be accompanied by and, if necessary, consult legal representatives at the hearing on 21 December 2022 be agreed to.

**4.4 Request for documents from City of Canterbury Bankstown Council**

On 2 December 2022, the Chair invited Mr Matthew Stewart and Mr Ken Manoski to appear at a hearing on 14 December (later changed to 16 December) and requested that the City of Canterbury Bankstown Council provide certain documents.

On 8 December 2022, the CEO of the City of Canterbury Bankstown Council wrote to the Chair, raising various matters in relation to the hearing and the request for documents.

On 12 December 2022, the Chair wrote to the Council.

On 12 December 2022, the Chair wrote to the Clerk with a request for advice on a matter relating to the provision of documents requested by the committee from the City of Canterbury Bankstown Council for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

On 13 December 2022, the Clerk provided advice.

On 14 December 2022, the CEO of the City of Canterbury Bankstown Council provided:

- correspondence to the Chair, advising:
  - the Council has searched its records in relation to the documents on which the Clerk provided advice and that there are no documents which fall within this category
  - the Council will endeavour to provide remaining requested documents by 31 January 2023.



- an excel spreadsheet of all Councillor Reimbursements from 2004 to 2022
- Disclosure of Pecuniary Interest Return Forms made by Councillors to City of Canterbury Bankstown Council and Bankstown City Council between 2004 and 2022.

Resolved, on the motion of Mr Farlow: That the committee authorise the publication of the following document from the City of Canterbury Bankstown Council, received on 14 December 2022: excel spreadsheet of all Councillor Reimbursements from 2004 to 2022.

Resolved, on the motion of Mr Farlow: That in relation to the documents in Categories 1 and 3, the City of Canterbury Bankstown Council nevertheless be requested to provide any additional documents by 5.00 pm on Tuesday 20 December 2022, ahead of the proposed hearing on Wednesday.

Resolved, on the motion of Mr Graham: That the committee authorise the publication of the Clerk's advice relating to the provision of documents requested by the committee from the City of Canterbury Bankstown Council for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council, received 13 December 2022.

## 5. Adjournment

The committee adjourned at 9.19 am, until 9.15 am on 21 December 2022, in the Dixson Room at the State Library of New South Wales (first hearing).

Emily Treeby

**Committee Clerk**

## Minutes no. 21

Monday 19 December 2022

Standing Committee on State Development

Via videoconference, at 2.00 pm

### 1. Members present

Mrs MacDonald, *Chair*

Mr Banasiak

Mr Farlow (*substituting for Mr Barrett*)

Mr Graham

Mr Martin

Mr Pearson

Mr Rath (*substituting for Mr Poulos*)

Ms Sharpe (*substituting for Mr Veitch for the meeting on 19 December 2022*)

### 2. Apologies

Mr Latham (*participating*)

### 3. Previous minutes

Resolved, on the motion of Mr Farlow: That draft minutes no. 20 be confirmed.

### 4. Correspondence

The committee noted the following items of correspondence:

#### **Received:**

- 25 November 2022 – Email from Ms Bo Ok, Whips Adviser, Office of the Hon Scott Farlow MLC, Government Whip in the Legislative Council, regarding substitution of Mr Barrett for Mr Farlow for the duration of the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 14 December 2022 – Email from Ms Bo Ok, Whips Adviser, Office of the Hon Scott Farlow MLC, Government Whip in the Legislative Council, regarding substitution of Mr Poulos for Mr Rath for the

duration of the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 16 December 2022 – Letter from Mr James Riley, RGSLAW, to Chair, regarding public hearing on 21 December 2022 and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 16 December 2022 – Letter from Mr Roland Hassall, Partner, Sparke Helmore Lawyers, to Chair, regarding public hearing on 21 December 2022 and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

***Sent:***

- 16 December 2022 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, regarding invitation to appear at a hearing on 21 December 2022 and request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

## **5. Inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council**

### **5.1 Correspondence relating to appearance of Mr Asfour at public hearing**

On 16 December 2022, the committee received correspondence from Mr James Riley, solicitor acting for Mr Asfour (Mayor of the City of Canterbury Bankstown Council), requesting that the committee provide as a matter of urgency copies of all documents that the committee intends to refer to or rely on in questioning Mr Asfour.

Resolved, on the motion of Mr Farlow: That the Chair on behalf of the committee write to Mr Asfour:

- advising that the request was raised with the committee and the committee agreed that if members are so inclined, they can provide Mr Asfour with documents that may be used, or provide information about questions which may be asked, at the hearing
- reiterating that the committee can ask any questions of witnesses that fall within the terms of reference for the inquiry and witnesses have the option to take questions on notice.

### **5.2 Correspondence relating to appearance of Mr Stewart and Mr Manoski at public hearing**

On 16 December 2022, the committee received correspondence from Mr Roland Hassall, solicitor acting for Mr Matthew Stewart (Chief Executive Officer of the City of Canterbury Bankstown Council) and Mr Ken Manoski (Director Corporate of the City of Canterbury Bankstown Council).

The letter requests that the committee provide the following prior to the witnesses' response to the invitation to appear at the public hearing on 21 December 2022:

- written confirmation that:
  - during the hearing Mr Stewart and Mr Manoski will not be asked to respond to any allegations, including relating to the Council
  - during the hearing no questions will be asked which concern allegations against Mr Stewart, Mr Manoski or the Council
  - if any allegations are to be made against Mr Stewart, Mr Manoski or the Council, they will be given reasonable and advance notice of those allegations, in accordance with the principles of procedural fairness
- a copy of the Minister's referral to the committee upon which the terms of reference have been based.

The letter also:

- requests that any correspondence relating to this matter be sent directly to Sparke Helmore, as the legal representatives of Mr Stewart and Mr Manoski
- asks that the committee please advise if the circumstances of Mr Stewart as outlined in the letter has any impact on the proposed date and arrangements for the invitation.

Resolved, on the motion of Mr Farlow: That the committee write to Mr Matthew Stewart, Chief Executive Officer of the City of Canterbury Bankstown Council, with the following response to the matters raised in the letter from Mr Roland Hassall, dated 16 December 2022:

- In accordance with the Procedural Fairness Resolution of the House, the committee resolved to advise you that you and Mr Manoski will be afforded the opportunity to take questions on notice if you are unable to provide an answer during the hearing
- In response to the request that the committee provide you with a copy of the Minister's referral letter, the committee resolved to advise you that the terms of reference have been provided to you and Mr Manoski and are available on the inquiry webpage
- In response to the request that any correspondence relating to this matter be sent directly to Sparke Helmore, as the legal representatives of you and Mr Manoski, the committee resolved to advise you that it is standard practice that the committee continue to address correspondence to individuals invited to appear at a public hearing.

## 6. Adjournment

The committee adjourned at 2.09 pm until Wednesday 21 December 2022 at 9.15 am, Dixon Room, State Library of NSW (first hearing for the Canterbury Bankstown Council inquiry).

Emily Treeby

**Committee Clerk**

## Minutes no. 22

Wednesday 21 December 2022

Standing Committee on State Development

Dixon Room, State Library of New South Wales, at 9.18 am

## 1. Members present

Mrs MacDonald, *Chair*

Ms Sharpe, *Deputy Chair* (substituting for Mr Veitch for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council until 17 January 2023)

Mr Banasiak

Mr Farlow (*substituting for Mr Barrett*)

Mr Graham

Mr Latham (*participating*)

Mr Martin (until 10.45 am)

Mr Pearson (from 11.15 am) (via videoconference)

Mr Rath (*substituting for Mr Poulos*)

## 2. Correspondence

The committee noted the following items of correspondence:

### **Received:**

- 19 December 2022 – Letter from Mr Roland Hassall, Partner, Sparke Helmore Lawyers, to Chair, regarding request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 19 December 2022 – Letter from Mr Roland Hassall, Partner, Sparke Helmore Lawyers, to Chair, regarding media articles published relating to the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 19 December 2022 – Email from Ms Cara Punch, Opposition Whip in the Legislative Council, Government Whip in the Legislative Council, Office of the Hon. Mark Buttigieg MLC, regarding substitution of Mr Veitch for Ms Sharpe for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council until 17 January 2023
- 20 December 2022 – Letter from Mr Roland Hassall, Partner, Sparke Helmore Lawyers, to Chair, regarding request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 20 December 2022 – Letter from Mr James Riley, RGSLAW, to Chair, regarding public hearing on 21 December 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

***Sent:***

- 19 December 2022 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council, from Chair, regarding invitation to appear at a hearing on 21 December 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 19 December 2022 – Letter from Chair to Mr Khal Asfour, Mayor, City of Canterbury Bankstown Council, from Chair, regarding invitation to appear at a hearing on 21 December 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

### **3. Inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council**

#### **3.1 Deputy Chair**

The Chair called for nominations for Deputy Chair for the duration of the public hearing on 21 December 2022.

Mr Farlow moved: That Ms Sharpe be elected Deputy Chair for the duration of the public hearing on 21 December 2022.

There being no further nominations, the Chair declared Ms Sharpe elected Deputy Chair.

#### **3.2 Documents from the City of Canterbury Bankstown Council**

##### ***(a) Tranche 1***

At the request of the committee, on 14 December 2022 the CEO of the City of Canterbury Bankstown Council provided Disclosure of Pecuniary Interest Return Forms made by Councillors to City of Canterbury Bankstown Council and Bankstown City Council between 2004 and 2022.

The secretariat has now made redactions to the document to redact identifying information, namely signatures, personal street addresses and contact details.

The original unredacted version is available for inspection by members on request to the secretariat.

Resolved, on the motion of Mr Farlow: That the committee authorise the publication of the following document from the City of Canterbury Bankstown Council except for identifying information, namely signatures, personal street addresses and contact details, at the recommendation of the secretariat: Disclosure of Pecuniary Interest Return Forms made by Councillors to City of Canterbury Bankstown Council and Bankstown City Council between 2004 and 2022.

##### ***(b) Tranche 2***

At the request of the committee, on 20 December 2022 the City of Canterbury Bankstown Council provided the following documents:

- councillor claim form for reimbursement of expenses' and associated receipts / invoices
- minutes from the Development Committee of the Council and ordinary meetings of the Council.

The original unredacted versions are available for inspection by members on request to the secretariat.

Resolved, on the motion of Mr Farlow: That the committee keep the following documents confidential and that members advise the secretariat if they wish the committee to consider authorising the publication of any parts of the documents:

- councillor claim form for reimbursement of expenses' and associated receipts / invoices
- minutes from the Development Committee of the Council and ordinary meetings of the Council.

#### **3.3 Correspondence from the City of Canterbury Bankstown Council**

On 19 December 2022, the committee received correspondence from Mr Roland Hassall, solicitor acting for Mr Matthew Stewart (Chief Executive Officer of the City of Canterbury Bankstown Council) and Mr

Ken Manoski (Director Corporate of the City of Canterbury Bankstown Council), regarding media articles published on 17/18 December 2022.

The letter requests:

- The Committee take steps to investigate which person “close to the inquiry” selectively and without authorisation disclosed the information to the media. The Council should then be assured that steps have been taken to ensure the confidentiality of the process and that no further unauthorised disclosures will occur; and
- So that there is a proper context of the response of the Council, its letter of 14 December 2022 be made available on the Inquiry’s webpage; and
- For completeness and context (given the disclosures which have now been made to the media in advance of any participation by the Council), this letter also be made available on the Inquiry’s webpage.

Resolved, on the motion of Mr Farlow: That the Chair on behalf of the committee write to the City of Canterbury Bankstown Council advising that the committee will not be investigating the unauthorised disclosure and that the letters dated 14 December 2022 and 19 December 2022 be published on the inquiry webpage.

### **3.4 Allocation of questioning at public hearings**

The committee to consider the allocation of questioning for public hearings.

Resolved, on the motion of Mr Graham: That for the public hearings for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council, the sequence of questions to be asked during the inquiry hearings alternate between government, opposition and crossbench members, in that order, with equal time allocated to each.

Resolved, on the motion of Mr Graham: That for the public hearing on 21 Wednesday 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council, the sequence of questions to be asked during the inquiry hearings alternate between government and crossbench members in 20-minute blocks, with time reserved at the end of each session for the opposition.

### **3.5 Answers to questions on notice and supplementary questions**

Resolved, on the motion of Ms Sharpe: That any answers to questions on notice taken by witnesses at the hearing on 21 December 2022 and any answers to supplementary questions to be returned within 14 days from receipt of the transcript.

### **3.6 Correspondence relating to Mr Asfour's appearance at public hearing**

On 20 December 2022 the committee received correspondence from Mr James Riley, RGSLAW, legal representative for Mr Asfour, relating to the terms of reference for the inquiry.

Resolved, on the motion of Mr Farlow: That the Chair on behalf of the committee write to the Mayor of the City of Canterbury Bankstown Council advising the standard powers and procedures of the committee with respect of power to ask lawful questions.

### **3.7 Public hearing**

The committee proceeded to take evidence in public at 9.30 am.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witness was sworn and examined:

- Mr Khal Asfour, Mayor of the City of Canterbury Bankstown Council.

The evidence concluded and the witnesses withdrew.

The hearing concluded at 11.45 am.

The public and media withdrew.

## **4. Adjournment**

The committee adjourned at 11.45 am, *sine die*.

Emily Treeby  
**Committee Clerk**

**Minutes no. 23**

Thursday 19 January 2023

Standing Committee on State Development

Via videoconference, at 10.05 am

**1. Members present**

Mrs MacDonald, *Chair*

Mr Farlow (*substituting for Mr Barrett*)

Mr Graham

Mr Martin

Ms Sharpe (*substituting for Mr Veitch*)

Mr Rath (*substituting for Mr Poulos*)

**2. Apologies**

Mr Banasiak

Mr Latham (*participating*)

Mr Pearson

**3. Previous minutes**

Resolved, on the motion of Mr Farlow: That draft minutes nos. 21 and 22 be confirmed.

**4. Correspondence**

The committee noted the following items of correspondence:

***Received:***

- 20 December 2022 – Letter from Mr James Riley, RGSLAW, to Chair, regarding public hearing on 21 December 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 20 December 2022 – Letter from Mr Roland Hassall, Partner, Sparke Helmore Lawyers, to Chair, regarding request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 16 January 2023 – Email from Ms Cara Punch, Opposition Whip in the Legislative Council, Government Whip in the Legislative Council, Office of the Hon. Mark Buttigieg MLC, regarding substitution of Mr Veitch for Ms Sharpe for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council until 19 January 2023.

***Sent:***

- 22 December 2022 – Letter from Chair to CEO of Canterbury Bankstown Council, regarding the committee's decision not to investigate the unauthorised disclosure
- 22 December 2022 – Letter from Chair to the Mayor of Canterbury Bankstown Council, regarding public hearings and the power of committees to ask 'lawful questions'.

**5. Inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council**

**5.1 Second tranche of documents from the City of Canterbury Bankstown Council**

Resolved, on the motion of Mr Farlow: That the following pages be published, subject to the redaction of sensitive/identifying information: pages- 11-14, 43-52, 67-78, 81, 83-93, 119-126, 135-136, 183-185, 203-226, 362-366, 371-373, 379-396, 417-424, 771-774, 797-800, 821-828, 843-848, 853-856, 865-870, 993-996, 1029-1032, 1171-1172, 1253-1260, 1269, 1313-1314, 1377-1386, 1391-1396, 1427-1444, 1472, 1475-1480 and 1497-1499.

Resolved, on the motion of Mr Graham: That the committee authorise the publication of documents which reference councillors Mr Glenn Brookes and Mr Jim Daniel, with the exception of identifying/sensitive information as redacted by the secretariat.

### **5.2 Request for documents from City of Canterbury Bankstown Council – CEO / General Manager and Clr Khal Asfour**

Resolved, on the motion of Mr Rath: That the Chair write to the City of Canterbury Bankstown Council on behalf of the committee requesting:

- a copy of all expenses and reimbursements incurred by the CEO/ General Manager dating back to 2004
- a copy of the diary of both the CEO/ General Manager and Clr Khal Asfour dating back to 2004
- a copy of all council reports related to overseas trips dating back to 2004
- a copy of the dates of employment and roles of Lia Chinnery, current Senior Consultant at SINC Solutions
- a copy of all correspondence between Canterbury Bankstown Council and LJ Hooker Bankstown, including but not limited to tender documents from both LJ Hooker Bankstown and other applicants for the tender for the management of council properties
- a copy of the gift disclosure register for all councillors dating back to 2004.

### **5.3 Request for documents from LJ Hooker Bankstown**

Resolved on the motion of Mr Farlow: That the Chair write to LJ Hooker Bankstown on behalf of the committee requesting the following documents be provided on a voluntary basis:

- a copy of all correspondence between Canterbury Bankstown Council and LJ Hooker Bankstown, including but not limited to tender documents from LJ Hooker Bankstown for the tender for the management of council properties.

### **5.4 Request for documents from City of Canterbury Bankstown Council – Arthur Moses SC independent review report and supporting documents**

Resolved, on the motion of Mr Farlow: That the Chair write to the City of Canterbury Bankstown Council on behalf of the committee requesting:

- an unredacted copy of the independent review report by Arthur Moses SC
- all supporting documents that were used in compiling the final report
- all correspondence between Canterbury Bankstown Council and SINC Solutions
- all correspondence regarding conflicts of interest declared by staff members of SINC Solutions
- an outline of all commercial arrangements between Canterbury Bankstown Council and SINC Solutions and a description of services provided.

### **5.5 Request for documents from SINC Solutions – Arthur SC independent review report and supporting documents**

Resolved, on the motion of Mr Farlow: That the Chair write to SINC Solutions on behalf of the committee requesting the following documents be provided on a voluntary basis:

- all supporting documents that were used in compiling the final report.
- any correspondence between Canterbury Bankstown Council and SINC Solutions
- all correspondence regarding conflicts of interest declared by staff members of SINC Solutions
- an outline of all commercial arrangements between Canterbury Bankstown Council and SINC solutions and a description of services provided.

### **5.6 Public hearing on Friday 3 February 2023**

Resolved, on the motion of Mr Farlow:

- That the Chair write to the Council on behalf of the committee inviting Mr Matthew Stewart and Mr Ken Manoski to appear from 9.30 am to 12.30 pm at the public hearing on Friday 3 February 2023, seeking confirmation of their attendance by 5.00 pm Thursday 26 January 2023
- That the committee reserve the afternoon session of the public hearing on Friday 3 February 2023 for additional witnesses to be agreed to by the committee via email.

**5.7 Reporting date**

The committee deferred consideration of the tabling date.

**6. Other business**

Resolved, on the motion of Mr Rath: That the secretariat canvass members' availability for a third public hearing on Monday 6 February 2023, Tuesday 7 February 2023 or Wednesday 8 February 2023 and the following witnesses be invited to appear:

- Khal Asford, Mayor of the City of Canterbury Bankstown
- Eddie Obeid, former Member of the Legislative Council
- Mr Glenn Brookes, Councillor at City of Canterbury Bankstown Council
- Mr Jim Daniel, Councillor at City of Canterbury Bankstown Council.

**7. Adjournment**

The committee adjourned at 10.26 am until Friday 3 February 2023 at 9.15 am, Dixson Room, State Library of NSW (second hearing for the Canterbury Bankstown Council Inquiry).

Emily Treeby

**Committee Clerk**

**Minutes no. 24**

Friday 27 January 2023

Standing Committee on State Development

Via videoconference, at 2.03 pm

**1. Members present**

Mrs MacDonald, *Chair*

Mr Farlow (*substituting for Mr Barrett*)

Mr Graham

Mr Martin

Ms Sharpe (*substituting for Mr Veitch*)

Mr Rath (*substituting for Mr Poulos*)

**2. Apologies**

Mr Banasiak

Mr Latham

Mr Pearson

**3. Correspondence**

The committee noted the following items of correspondence:

***Received:***

- 23 January 2023 – Email from Ms Cara Punch, Opposition Whip in the Legislative Council, Government Whip in the Legislative Council, Office of the Hon. Mark Buttigieg MLC, to secretariat, regarding substitution of Mr Veitch for Ms Sharpe for the duration of the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 25 January 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 25 January 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding an invitation to Mr Matthew Stewart and Mr Ken Manoski to appear at a public hearing on 3 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents



- 25 January 2023 – Letter from Mr Greg Skehan, Senior Partner, Colin Biggers & Paisley, to Chair, regarding an invitation to Mr Simon Manoski to appear at a public hearing on 3 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents.

#### 4. **Inquiry into allegations of impropriety against agents of City of Canterbury Bankstown Council**

##### 4.1 **Correspondence relating to appearance of Mr Matthew Stewart and Mr Ken Manoski at public hearing and request for documents**

Resolved, on the motion of Mr Farlow: That the committee:

- not agree to the City of Canterbury Bankstown Council's request to cover the costs in relation to the committee's request for documents
- write to the Council to inform it of this resolution.

Resolved, on the motion of Mr Farlow: That the committee:

- extend the deadline to 6 February 2023 for the City of Canterbury Bankstown Council to provide the documents requested in the Chair's letter dated 19 January 2023 to 6 February 2023
- retain the deadline of 31 January 2023 for Council to provide the documents initially requested in the letter dated 2 December 2022
- write to the Council to inform it of this resolution.

Resolved, on the motion of Mr Farlow: That the committee:

- authorise the publication of letters sent to and received from the City of Canterbury Bankstown Council, including all future correspondence and any letters previously sent and received
- provide the Council with the opportunity to object to the publication of any previous correspondence
- write to the Council to inform it of this resolution.

Resolved, on the motion of Mr Farlow: That the committee:

- notify the City of Canterbury Bankstown Council prior to the publication of any documents provided by the Council to the committee
- write to the Council to inform it of this resolution.

Resolved, on the motion of Mr Farlow: That the committee not proceed with the public hearings previously agreed to be held on 3 February 2023 and 7 February 2023.

Resolved, on the motion of Mr Farlow: That Mr Khal Asfour be invited to appear at a public hearing on 6 February 2023.

Resolved, on the motion of Mr Farlow: The committee:

- hold a public hearing and invite Mr Matthew Stewart, Mr Ken Manoski and Mr Simon Manoski on a date to be confirmed between 13 to 17 February 2023, subject to ascertaining the availability of the witnesses
- confirm appearance times and lengths via email once witness availability is confirmed.

Resolved, on the motion of Mr Farlow: That the committee write to the City of Canterbury Bankstown Council to:

- reiterate that members are able to ask lawful questions that fall within the terms of reference
- reiterate that it is up to witnesses how they wish to answer a question, including whether they wish to answer a question during the hearing or take it on notice and that this protection is set out in the Procedural Fairness resolution
- note the previous advice from the committee that the intention of the committee to ask questions relating to councillor entitlements, councillor disclosures, councillor expenses and policies relating to councillors
- advise that it is the role of the Chair to ensure the hearing follows due process and order is maintained
- note that the committee has the power to summon witnesses should they decline the invitation to appear at a public hearing.

Resolved, on the motion of Mr Farlow: That the hearing dates for the appearances of Mr Jim Daniel, Mr Glenn Brookes and Mr Eddie Obeid be considered by the committee once Mr Matthew Stewart and Mr Ken Manoski of the City of Canterbury Bankstown Council and Mr Simon Manoski respond to the witness invitations to appear at a public hearing between 13 to 17 February 2023.

#### **4.2 Correspondence relating to appearance of Mr Simon Manoski at public hearing**

Resolved, on the motion of Mr Farlow: That the committee respond to Mr Simon Manoski to advise him that the committee intends to ask questions relating to councillor entitlements, councillor disclosures, councillor expenses and policies relating to councillors.

#### **5. Adjournment**

The committee adjourned at 2.23 pm.

Emily Treeby

**Committee Clerk**

#### **Minutes no. 25**

Monday 6 February 2023

Standing Committee on State Development

The Dixon Room, State Library of NSW, Sydney, at 9.17 am

#### **1. Members present**

Mrs MacDonald, *Chair*

Mr Farlow (*substituting for Mr Barrett*)

Mr Graham

Mr Martin

Ms Sharpe (*substituting for Mr Veitch*)

Mr Rath (*substituting for Mr Poulos*)

#### **2. Apologies**

Mr Banasiak

Mr Latham

Mr Pearson

#### **3. Draft minutes**

Resolved, on the motion of Mr Farlow: That draft minutes nos. 23 and 24 be confirmed.

#### **4. Correspondence**

The committee noted the following items of correspondence:

##### ***Received:***

- 20 January 2023 – Email from Mr Steven Diehm, to Chair, regarding the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 27 January 2023 – Email from Melissa, Office of the Commissioner, Corrective Services NSW, to secretariat, regarding upcoming public hearings for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 27 January 2023 – Letter from Mr James Riley RGSLAW, to Chair, regarding an invitation to appear at a public hearing on 6 February 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and answers to questions on notice taken at public hearing on 21 December 2022
- 30 January 2023 – Email from Mr Sam Nader, Director, LJ Hooker Bankstown, to secretariat, regarding a request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 31 January 2023 – Letter from Greg Skehan, Partner, Colin Biggers & Paisley, to Chair, regarding an invitation to appear at a public hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 1 February 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding an invitation to appear at a public hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 1 February 2023 – Letter from Ms Kath Roach, Managing Director, SINC Solutions, to Chair, regarding a request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 3 February 2023 – Letter from Mr James Riley RGSLAW, to Chair, regarding acceptance of the invitation to appear at a public hearing on 6 February 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 3 February 2023 – Letter from Mr James Riley RGSLAW, to Chair, regarding timeframes for providing answers to questions on notice for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

*Sent:*

- 19 January 2023 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer of City of Canterbury Bankstown Council, regarding an invitation to appear at a public hearing on 3 February 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 19 January 2023 – Letter from Chair to Mr Sam Nader, Director, LJ Hooker Bankstown, regarding a request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 19 January 2023 – Letter from Chair to Ms Kath Roach, Managing Director, SINC Solutions, regarding request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 23 January 2023 – Letter from Chair to Mr Kevin Corcoran PSM, Commissioner of Corrective Services NSW, regarding upcoming public hearings for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 24 January 2023 – Letter from Chair to Mr Asfour, Mayor, City of Canterbury Bankstown Council, regarding an invitation to appear at a public hearing on 6 February 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 24 January 2023 – Letter from Ms Madeleine Foley, Clerk Assistant – Committees, to Mr Matthew Stewart, Chief Executive Officer of City of Canterbury Bankstown Council, regarding request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 30 January 2023 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer of City of Canterbury Bankstown Council, regarding an invitation to appear at a public hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 30 January 2023 – Letter from Chair to Mr Simon Manoski, regarding an invitation to appear at a public hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 1 February 2023 – Letter from Chair to Mr Asfour, Mayor, City of Canterbury Bankstown Council, regarding an invitation to appear at a public hearing on 6 February 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and answers to questions on notice taken at public hearing on 21 December 2022.

## 5. Allegations of impropriety against agents of the City of Canterbury Bankstown Council

### 5.1 Correspondence relating to appearance of Mr Matthew Stewart and Mr Ken Manoski at public hearing

Resolved, on the motion of Mr Farlow: That, under the authority of s 4(2) of the *Parliamentary Evidence Act 1901*, the committee issue a summons to Mr Matthew Stewart and Mr Ken Manoski to attend and give evidence before the committee on Monday 13 February 2023 from 10.00 am to 12.00 pm.

### **5.2 Correspondence relating to appearance of Mr Simon Manoski at a public hearing**

Resolved, on the motion of Mr Farlow: That the committee invite Mr Simon Manoski to appear at a public hearing on Monday 13 February 2023 from 12.15 pm to 1.00 pm, and as this is the second invitation to Mr Manoski, inform him of the committee's powers under the *Parliamentary Evidence Act 1901* to summon witnesses.

### **5.3 Correspondence from Mr Sam Nader, LJ Hooker Bankstown**

The committee noted the correspondence.

### **5.4 Correspondence from Ms Kath Roach, SINC Solutions**

The committee noted the correspondence.

### **5.5 Chair's draft report**

Resolved, on the motion of Mr Farlow: That the Chair's draft report be circulated early in the week commencing Monday 20 February 2023 ahead of the report deliberative on Friday 24 February 2023.

### **5.6 Report tabling date**

Resolved, on the motion of Mr Martin: That the committee table its report by Tuesday 28 February 2023.

### **5.7 Questions on notice and supplementary questions**

Resolved, on the motion of Mr Farlow: That any answers to questions taken on notice at the hearing on 6 February 2023 be returned within 48 hours from receipt of the transcript, and no supplementary questions to be asked by members.

### **5.8 Witness to be accompanied by legal representatives**

Resolved, on the motion of Mr Farlow: That as the previous hearing on 21 December 2022, Mr Khal Asfour be accompanied by and, if necessary, consult legal representatives at the hearing on 6 February 2023.

### **5.9 Public hearing**

The committee proceeded to take evidence in public at 9.33 am.

The chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witness was examined on his former oath:

- Mr Khal Asfour, Mayor of the City of Canterbury Bankstown Council.

Mr Asfour was accompanied by his legal representatives.

Resolved, on the motion of Mr Martin: That the committee accept and publish the answers to questions on notice taken at the public hearing on 21 December 2022 received from Mr Asfour on 6 February 2023.

The evidence concluded and the witness and his legal representatives withdrew.

The hearing concluded at 12.02 pm.

The public and media withdrew.

### **5.10 Questions on notice**

Resolved, on the motion of Mr Farlow: That the committee:

- request any outstanding answers to questions taken on notice by Mr Asfour at the hearing on 21 December 2022 be provided by 12 pm Friday 10 February 2023
- advise Mr Asfour of the committee's power under s 11 of the *Parliamentary Evidence Act 1901* in relation to questions on notice.

### **5.11 Correspondence between the committee and City of Canterbury Bankstown Council**

Resolved, on the motion of Mr Rath: That the committee request that the City of Canterbury Bankstown Council provide any objections to the publication of previous correspondence between the Council and the committee by 5 pm Tuesday 7 February 2023.

**5.12 Potential adverse mention of Ms Tania Mihaliuk MP**

Resolved, on the motion of Mr Farlow: That committee write to Ms Tania Mihailuk MP to provide her with an opportunity to respond in writing to allegations made during the opening statement at the public hearing on Monday 6 February 2023. The committee will provide Ms Mihailuk with the Hansard transcript, and Ms Mihailuk will be asked to respond by Friday 10 February 2023.

**5.13 Further witnesses**

Resolved, on the motion of Mr Farlow: That the committee invite the following witnesses to appear for 30 minutes each at a hearing at 10 am on Friday 17 February 2023:

- Cr Bilal El Hayek – Councillor, City of Canterbury-Bankstown Council
- Mr David Fam – Fam international
- Jung Min Ryu – BBQ City Bankstown
- Justin Jung Min Ryu – BBQ City Bankstown
- Van Ket Nguyen – Mr Bingsoo
- Jin Pyo Cho – Mr Bingsoo.

Resolved, on the motion of Mr Farlow: That the committee not proceed with the following witness invitations:

- Mr Eddie Obeid
- Mr Glenn Brookes and Mr Jim Daniel, unless the contact details can be located.

**6. Adjournment**

The committee adjourned at 12.14 pm until Monday 13 February 2023 (third hearing for the inquiry into Canterbury Bankstown Council).

Emily Treeby  
Committee Clerk

**Minutes no. 26**

Monday 13 February 2023  
Standing Committee on State Development  
The Dixson Room, State Library of NSW, Sydney, at 9.49 am

**1. Members present**

Mrs MacDonald, *Chair*  
Mr Farlow (*substituting for Mr Barrett*)  
Mrs Houssos (*substituting for Mr Graham*)  
Mr Martin  
Ms Sharpe (*substituting for Mr Veitch*)  
Mr Rath (*substituting for Mr Poulos*) (*from 9.49 am until 9.55 am, and from 10.41 am*)

**2. Apologies**

Mr Banasiak  
Mr Pearson

**3. Draft minutes**

Resolved, on the motion of Mr Martin: That draft minutes nos. 25 be confirmed.

**4. Correspondence**

The committee noted the following items of correspondence:

**Received:**

- 6 February 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding the initial and further request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 7 February 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding the provision of documents as part of the initial request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council – Tranche 3
- 7 February 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding the provision of documents as part of the further request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council – Tranche 4
- 7 February 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding summons to appear at a public hearing on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 8 February 2023 – Email from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to secretariat, regarding summons to appear at a public hearing on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 9 February 2023 – Email from Ms Rosie Kapur, Senior Associate, Wotton Kearney, to secretariat, regarding an invitation to Mr Bilal El-Hayek to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 9 February 2023 – Letter from Greg Skehan, Partner, Colin Biggers & Paisley, to Chair, regarding an invitation to Mr Simon Manoski to appear at a public hearing on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 9 February 2023 – Email from Ms Nella Hall, Assistant to the Hon Mark Latham MLC, regarding Mr Latham's participation in the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

**Sent:**

- 6 February 2023 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer of City of Canterbury Bankstown Council, regarding publication of Council documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 6 February 2023 – Letter from Chair to Mr Asfour, Mayor, City of Canterbury Bankstown Council, regarding answers to questions taken on notice at the hearing on 21 December 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 6 February 2023 – Letter from Chair to Mr Simon Manoski, regarding an invitation to appear at a public hearing on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 7 February 2023 – Letter from Chair to Ms Tania Mihailuk MP, Member for Bankstown, NSW Legislative Assembly, regarding right to reply to adverse reflections made at hearing on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 8 February 2023 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer of City of Canterbury Bankstown Council, regarding summons to appear at a public hearing on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 8 February 2023 – Letter from Chair to Mr David Fam, Fam International, regarding invitation to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 8 February 2023 – Letter from Chair to Van Ket Nguyen, Mr Bingsoo, regarding invitation to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 8 February 2023 – Letter from Chair to Jin Pyo Cho, Mr Bingsoo, regarding invitation to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 8 February 2023 – Summons to Mr Matthew Stewart, Chief Executive Officer of the City of Canterbury Bankstown Council, to appear at hearing at 10.00 am to 12.00 pm on Monday 13 February 2023, signed on 6 February 2023 and served on 9 February 2023
- 8 February 2023 – Summons to Mr Ken Manoski, Director Corporate of the City of Canterbury Bankstown Council to appear at hearing at 10.00 am to 12.00 pm on Monday 13 February 2023, signed on 6 February 2023 and served on 9 February 2023
- 9 February 2023 – Letter from Chair to Mr Simon Manoski, regarding appearance at a public hearing for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

## 5. Allegations of impropriety against agents of the City of Canterbury Bankstown Council

### 5.1 Mr Latham – participating member

The committee noted that on 9 February 2023 Mr Latham advised that he is no longer a participating member for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

### 5.2 Witnesses for public hearings on 13 February and 17 February 2023

#### (a) *Mr Simon Manoski*

Resolved, on the motion of Mr Farlow: That the committee:

- repeat the invitation for Mr Simon Manoski to attend on Friday 17 February 2023
- if Mr Manoski declines the invitation, or does not respond to the invitation, that the committee summons Mr Simon Manoski to appear.

#### (b) *Witnesses for 17 February 2023*

The secretariat briefed the committee on the response to invitations to appear at the hearing on Friday 17 February 2023.

### 5.3 Request for documents from City of Canterbury Bankstown Council

#### (a) *Correspondence relating to requests for documents*

Resolved, on the motion of Mr Farlow: That the committee respond to the correspondence of 6 February 2023 from Ms Julie Kneebone of Sparke Helmore Lawyers to reiterate that the committee will not cover the costs of responding to the requests for papers, and that the committee no provide any further specificity as to the categories of documents requested.

#### (b) *Tranches 3 and 4*

Resolved, on the motion of Mr Farlow: That the committee authorise the publication of the following pages from tranches 3 and 4 of the documents from the City of Canterbury Bankstown Council, with necessary redactions by the secretariat of personal information and contact details, and that the committee consider at a later date publication of further pages to be identified by the committee relating to Mr Glenn Brookes, Mr Jim Daniel and Ms Tania Mihailiuk MP:

#### Tranche 3:

- Pages 348 – 353

#### Tranche 4:

- 1 – 500
- 511 – 715
- 952 – 969
- 971 – 981
- 983 – 1007

- 1031 – 1313
- 1423 – 1437
- 1439 – 1509
- 1623
- 1631
- 1633
- 1641
- 1673 – 1715
- 1717 – 1743
- 1753 – 1785
- 1787 – 1809
- 1811 – 1859
- 1861 – 1888

#### **5.4 Answers to questions on notice and supplementary questions**

The committee noted that the following answers to questions on notice were published by the committee clerk under the authorisation of the resolution appointing the committee:

- answers to questions on notice from Councillor Khal Asfour, Mayor of Canterbury Bankstown Council, received 9 February 2023.

#### **5.5 Questions on notice and supplementary questions**

Resolved, on the motion of Mr Farlow: That any answers to questions on notice taken by the witness at the hearing on 13 February 2023 to be returned within 48 hours from receipt of the transcript, and no supplementary questions to be asked by members.

#### **5.6 Witnesses to be accompanied by legal representatives**

Resolved, on the motion of Mr Farlow: That Mr Matthew Stewart and Mr Ken Manoski be accompanied by and, if necessary, consult legal representatives at the hearing on 13 February 2023.

#### **5.7 Public hearing**

The committee proceeded to take evidence in public at 10.03 am.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses was sworn and examined:

- Mr Matthew Stewart, Chief Executive Officer, City of Canterbury Bankstown Council
- Mr Ken Manoski, Director of Corporate Services, City of Canterbury Bankstown Council.

Mr Stewart and Mr Manoski were accompanied by their legal representatives.

The evidence concluded and the witnesses and their legal representatives withdrew.

The hearing concluded at 11.31 am.

#### **5.8 Potential adverse mention**

Resolved, on the motion of Mr Martin: That committee write to Ms Tania Mihailuk MP to provide her with an opportunity to respond in writing to statements made during the public hearing on Monday 13 February 2023.

## **6. Adjournment**

The committee adjourned at 11.40 am until Friday 17 February 2023.

Emily Treeby  
**Committee Clerk**



**Minutes no. 27**

Tuesday 14 February 2023

Standing Committee on State Development

Via videoconference, at 11.32 am

**1. Members present**Mrs MacDonald, *Chair*Mr Buttigieg (*substituting for Mr Graham*)Mr Farlow (*substituting for Mr Barrett*)

Mr Martin

Mr Rath (*substituting for Mr Poulos*)Mr Veitch (*substituting for Ms Sharpe*)**2. Apologies**

Mr Banasiak

Mr Pearson

**3. Allegations of impropriety against agents of the City of Canterbury Bankstown Council****3.1 Witnesses for hearing on Friday 17 February 2023**

Resolved, on the motion of Mr Farlow: That the committee:

- again invite Jung Min Ryu and Justin Jung Min Ryu to the public hearing on Friday 17 February 2023, as this is the second invitation, inform them of the committee's powers under the *Parliamentary Evidence Act 1901* to summon witnesses
- if Jung Min Ryu and Justin Jung Min Ryu decline to appear, or do not respond to the invitation, advise that a summons will be issued.

Committee noted it has been unable to contact Mr David Fam, Van Ket Nguyen (Mr Bingsoo) or Jin Pyo Cho (Mr Bingsoo).

**4. Adjournment**

The committee adjourned at 11.42 am until Friday 17 February 2023 (fourth hearing for the inquiry into Canterbury Bankstown Council).

Emily Treeby

**Committee Clerk****Minutes no. 28**

Friday 17 February 2023

Standing Committee on State Development

The Dixon Room, State Library of NSW, Sydney, at 9.15 am

**1. Members present**Mrs MacDonald, *Chair*Mr Donnelly (*substituting for Mr Graham*)Mr Farlow (*substituting for Mr Barrett*)

Mr Martin (via telephone from 9.15 am to 9.30 am, and from 10.34 am to 10.54 am)

Ms Sharpe (*substituting for Mr Veitch*)Mr Rath (*substituting for Mr Poulos*)**2. Apologies**

Mr Banasiak

Mr Pearson

**3. Draft minutes**

Resolved, on the motion of Mr Farlow: That draft minutes nos. 26 and 27 be confirmed.

**4. Correspondence**

The committee noted the following items of correspondence:

***Received:***

- 13 February 2023 – Affidavit of service of summons under section 4 of the *Parliamentary Evidence Act 1901* for Mr Matthew Stewart, signed by Ms Jenelle Moore, Usher of the Black Rod
- 13 February 2023 – Affidavit of service of summons under section 4 of the *Parliamentary Evidence Act 1901* for Mr Ken Manoski, signed by Ms Jenelle Moore, Usher of the Black Rod
- 14 February 2023 – Email from Ms Rosie Kapur, Senior Associate, Wotton Kearney, to secretariat, regarding an invitation to Councillor El-Hayek to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 14 February 2023 – Letter from Greg Skehan, Partner, Colin Biggers & Paisley, to Chair, regarding an invitation to Mr Simon Manoski to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 14 February 2023 – Letter from Mr James Riley, RGSLAW to Chair, regarding answers to questions on notice taken at the hearing on 21 December 2022 by Mayor Khal Asfour for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 15 February 2023 – Letter from Greg Skehan, Partner, Colin Biggers & Paisley, to Chair, regarding an invitation to Mr Simon Manoski to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 15 February 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding the provision of documents as part of the initial request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council – Tranche 6
- 16 February 2023 – Email from Ms Madeleine Dowd, to Chair, attaching letter from Ms Karen Smith, Crown Solicitor, to Mr David Blunt, Clerk of the Parliament, on mechanisms available to committees to obtain contact details for the purpose of issuing a summons
- 16 February 2023 – Email from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, seeking an extension for the provision of answers to questions on notice taken by Mr Mathew Stewart and Mr Ken Manoski on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 16 February 2023 – Email from Mr Justin Jung Min Ryu, BBQ City Bankstown, regarding decline of invitation to appear at public hearing on Friday 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

***Sent:***

- 13 February 2023 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer of City of Canterbury Bankstown Council, regarding requests for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 13 February 2023 – Letter from Chair to Mr Simon Manoski, regarding an invitation to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 14 February 2023 – Letter from Chair to Ms Tania Mihailuk MP, Member for Bankstown, NSW Legislative Assembly, regarding right to reply to comments made at hearing on 13 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 14 February 2023 – Email from secretariat to Justin Jung Min Ryu, regarding an invitation and summons to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents

- 14 February 2023 – Letter from Chair to Justin Jung Min Ryu, regarding an invitation and summons to appear at a public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 15 February 2023 – Letter from secretariat to Malik Arunachalam Manager, Account Services and Systems, Department of Parliamentary Services, regarding allowance for witness to appear before the Standing Committee on State Development for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 15 February 2023 – Summons to Mr Justin Jung Min Ryu, BBQ City Bankstown, to appear at hearing at 10.45 am to 11.15 am on Friday 17 February 2023, signed on 15 February 2023 and served on 15 February 2023.

## 5. Allegations of impropriety against agents of the City of Canterbury Bankstown Council

### 5.1 Request for documents from City of Canterbury Bankstown Council

Resolved, on the motion of Ms Sharpe: That in relation to Tranches 3 and 4 of the documents received from Canterbury Bankstown Council on 7 February 2023, the committee:

- not agree to Council's request to redact the names of Council staff, given the workload involved with reviewing hundreds of pages of documents, and proceed with its earlier resolution to publish the documents with necessary redactions of personal information and contact details
- not publish the documents on the internet to safeguard the privacy of Council staff and make the identified documents available for members of the public to view in hard copy only by arrangement with the committee secretariat
- write to the Council to inform it of this resolution.

Resolved, on the motion of Mr Farlow: That:

- the committee keep the documents from Tranches 5 and 6 confidential until considered for publication
- members advise the secretariat by 4.00 pm Monday 20 February 2023 if they wish the committee to consider authorising the publication of any parts of the documents.

### 5.2 Answers to questions on notice

The committee noted the following answers to questions on notice were published by the committee clerk under the authorisation of the resolution appointing the committee:

- answers to questions on notice from Councillor Khal Asfour, Mayor of Canterbury Bankstown Council, received 14 February 2023.

### 5.3 Correspondence regarding Mr Asfour

Resolved, on the motion of Mr Rath: That the committee:

- does not agree to the request that the statement in the Chair's letter to Mr Asfour dated 6 February 2023 be withdrawn  
publish the letter from Mr James Riley of RGS Law dated 14 February 2023 relating to the provision of answers to questions on notice taken at the hearing on 21 December 2022 by Mr Asfour, on the committee website, subject to consulting Mr Asfour on whether he wishes the letter to be made public
- thank Mr Asfour for his attendance at the public hearings on 21 December 2022 and 6 February 2023 and for providing answers to the questions taken on notice
- write to Mr Asfour to inform him of this resolution.

### 5.4 Summons to appear on Mr Justin Jung Min Ryu

Resolved, on the motion of Mr Farlow: That the committee:

- confirm its earlier agreement via email not to proceed with issuing a summons to Justin Jung Min Ryu to appear at the public hearing on Friday 17 February 2023 from 10.45 am, and to rely instead on his voluntary attendance
- note that Mr Ryu has subsequently advised he is unable to attend the hearing.

### 5.5 Witnesses supported by legal advisers

Resolved, on the motion of Mr Farlow: That Councillor Bilal El-Hayek be accompanied by and, if necessary, consult legal advisers Ms Rosie Kapur, Senior Associate at Wotton Kearney, and Callan O'Neill of counsel, at the hearing on 17 February 2023.

Resolved, on the motion of Mr Farlow: That Simon Manoski be accompanied by and, if necessary, consult legal advisers Mr Greg Skehan, Senior Partner, Colin Biggers & Paisley, and Mr Scott Robertson of counsel, at the hearing on 17 February 2023.

### 5.6 Questions on notice and supplementary questions

Resolved, on the motion of Mr Farlow: That any answers to questions on notice taken by the witness at the hearing on 17 February 2023 be returned within 48 hours of receipt of the transcript, and no supplementary questions to be asked by members.

### 5.7 Allocation of questions

Resolved, on the motion of Mr Farlow: That for the public hearing on 17 February 2023 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council, government members commence questioning with 10 minutes reserved at the end of each session for the opposition.

### 5.8 Public hearing

The committee proceeded to take evidence in public at 9.44 am.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witness was sworn and examined:

- Cllr Bilal El-Hayek, Councillor, City of Canterbury Bankstown Council.

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

- Mr Simon Manoski, Individual.

The evidence concluded and the witness withdrew.

The hearing concluded at 10.33 am.

The public and media withdrew.

### 5.9 Unauthorised disclosure

The committee considered the following unauthorised disclosure of committee proceedings, as raised by Mr Khal Asfour during his appearance on 6 February 2023 and in correspondence from the City of Canterbury Bankstown Council on 19 December 2022 and 25 January 2023:

- on 18 December 2022, *The Sydney Morning Herald* published the article titled 'Key council staff refuse to appear at inquiry into claims of 'impropriety'', citing confidential correspondence to the committee
- on 20 January 2023, *The Sydney Morning Herald* published the article titled 'Mayor withdraws from upper house race over designer clothing receipts', including images of Canterbury Bankstown Council records which were only produced to the committee and which were published before the committee had made them publicly available.

Resolved, on the motion of Mr Farlow: That the unauthorised disclosure is of sufficient seriousness to warrant further investigation, and that:

- members be reminded of their obligations to respect the confidentiality of the committee process and note the potential of unauthorised disclosures to impede committee effectiveness and damage public confidence in the committee process
- the Director write to all members and staff who had access to the material to ask whether they were responsible for the disclosure or are able to provide any information that may be of assistance in determining the source of the disclosure. All persons to respond by 1.00 pm Tuesday 21 February 2023
- on receipt of the responses, the committee is to decide whether the unauthorised disclosures are of sufficient seriousness as to constitute a substantial interference with the work of the committee, or the Legislative Council committee system, with a view to the committee making a special report to the House

recommending that the unauthorised disclosures be referred to the Privileges Committee for inquiry and report.

## 6. Advice from Crown Solicitor's Office

The committee noted the following advice:

The Select Committee on Barangaroo Sight Lines requested advice from the Crown Solicitor's Office regarding mechanisms available to committees of the Legislative Council to obtain details of individuals for the purpose of issuing a summon.

The Select Committee resolved to provide this advice to the Presiding Officers of the Legislative Council, and chairs of all Legislative Council committees and joint statutory committees.

## 7. Other business

### 7.1 Request for documents

Resolved, on the motion of Mr Rath: That the Committee write to the following companies seeking information regarding any works carried out at Councillor Asfour's home address and the where associated remittance advice and accounts invoices were billed to, and any related documentation such as certifications for works done at that address:

- Bingo Industries
- Purple Cow Industries
- Boral Limited
- Reece Limited
- Ausgrid
- Sydney Water.

## 8. Adjournment

The committee adjourned at 10.54 am until Friday 24 February 2023.

Madeleine Foley  
Committee Clerk

## Minutes no. 29

Friday 24 February 2023

Standing Committee on State Development

NSW Meeting Room 4/5, 60 Martin Place, Sydney, and via videoconference, at 10.01 am

### 1. Members present

Mrs MacDonald, *Chair*  
Mr Farlow (*substituting for Mr Barrett*)  
Mr Graham  
Mr Martin (via videoconference from 10.03 am)  
Mr Rath  
Ms Sharpe (*substituting for Mr Veitch*)

### 2. Apologies

Mr Banasiak  
Mr Pearson

### 3. Recording report deliberative

Resolved, on the motion of Ms Sharpe: That the report deliberative on 24 February 2023 be recorded for the purposes of assisting the secretariat to take minutes and the recording will be destroyed afterwards.

**4. Previous minutes**

Resolved, on the motion of Mr Farlow: That draft minutes no. 28 be confirmed.

**5. Correspondence**

The committee noted the following items of correspondence:

***Received:***

- 8 December 2022 – Email from Ms Nella Hall, to secretariat, Assistant to the Hon Mark Latham MLC, regarding Mr Latham's participation for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 14 December 2022 – Email from Mr Lancelot Davids, to secretariat, regarding personal correspondence to the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 1 February 2023 – Letter from Commissioner Kevin Corcoran PSM, Corrective Services NSW, to Chair, regarding invitation for Mr Eddie Obeid to appear at public hearing
- 13 February 2023 – Email from Steven Diehm, to secretariat, regarding the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 17 February 2023 – Email from Mr Callan O'Neill of counsel, to secretariat, regarding Councillor Bilal El-Hayek's appearance at a public hearing on 17 February 2023
- 17 February 2023 – Email from Ms Michelle Anglin, General Counsel (Australia & New Zealand), Reece, to secretariat, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 17 February 2023 – Email from the Hon Aileen MacDonald MLC, Chair, Standing Committee on State Development, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 17 February 2023 – Email from William Olive, Office of the Hon Scott Farlow MLC, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 17 February 2023 – Email from the Hon Penny Sharpe MLC, Member of the Standing Committee on State Development, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 17 February 2023 – Email from Cara Punch, Office of the Hon Mark Buttigieg MLC, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 17 February 2023 – Email from Ciahn Pertzelt, Office of the Hon Mark Buttigieg MLC, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 17 February 2023 – Email from the Hon Mark Banasiak MLC, Member of the Standing Committee on State Development, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 20 February 2023 – Email from the Hon Peter Poulos MLC, Member of the Standing Committee on State Development, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 20 February 2023 – Email from the Hon Mark Buttigieg MLC, Member of the Standing Committee on State Development, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 21 February 2023 – Letter from Mr Chris Gordon, Chief Development and Stakeholder Officer, BINGO Industries, to Chair, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 21 February 2023 – Letter from Ms Olga Konstantinou, Senior Legal Counsel, Boral Limited, to Chair, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 21 February 2023 – Letter from Ms Julie Kneebone, Special Counsel, Sparke Helmore Lawyers, to Chair, regarding the provision of documents as part of the initial request for documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council – Tranche 7
- 22 February 2023 – Letter from Nigel Lowry, General Counsel and Company Secretary, Ausgrid to Chair, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 22 February 2023 – Email from Mr Mick Quinlivan, to Chair, commenting on conduct of the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 22 February 2023 – Email from Ms Rosie Kapur, Senior Associate, Wotton Kearney representing Councillor El-Hayek, to Chair, providing additional information in respect of Councillor El-Hayek evidence on 17 February 2023
- 22 February 2023 – Email from the Hon Taylor Martin MLC, Member of the Standing Committee on State Development, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry
- 22 February 2023 – Letter from Mr Roch Cheroux, Managing Director, Sydney Water Corporation, to Chair, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 22 February 2023 – Email from the Hon Scott Farlow MLC, Member of the Standing Committee on State Development, to secretariat, regarding investigation of unauthorised disclosures of proceedings of the Canterbury Bankstown Council inquiry.

***Sent:***

- 21 December 2022 – Email from secretariat to Mr Lancelot Davids, regarding non-acceptance of submission to the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 6 February 2023 – Letter from secretariat to Malik Arunachalam, Manager, Account Services and Systems, Department of Parliamentary Services, regarding allowance for witness to appear before the Standing Committee on State Development for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 6 February 2023 – Letter from secretariat to Malik Arunachalam Manager, Account Services and Systems, Department of Parliamentary Services, regarding allowance for witness to appear before the Standing Committee on State Development for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council and request for documents
- 14 February 2023 – Letter from Chair to Mr Simon Manoski, regarding appearance at public hearing on 17 February 2023 for the inquiry into allegations of impropriety the City of Canterbury Bankstown Council
- 17 February 2023 – Letter from Chair to Mr Matthew Stewart, Chief Executive Officer of City of Canterbury Bankstown Council, regarding publication of documents provided by the Council for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 17 February 2023 – Letter from Chair to Chris Jeffrey, Chief Executive Officer, Bingo Industries, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 17 February 2023 – Letter from Chair to Mr Alex Soukie, General Manager, Purple Cow Industries, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 17 February 2023 – Email from Director to members of the Standing Committee State Development and members' staff, regarding investigation of unauthorised disclosures of confidential proceedings of the Canterbury Bankstown Council inquiry
- 20 February 2023 – Letter from Chair to Mr Marc England, Chief Executive Officer, Ausgrid, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 20 February 2023 – Letter from Chair to Mr Vik Bansal, Group CEO and Managing Director, Boral, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 20 February 2023 – Letter from Chair to Mr Roch Cheroux, Managing Director, Sydney Water, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 20 February 2023 – Letter from Chair to Mr Peter Wilson, Group Chief Executive Officer, Reece, regarding request for documents on a voluntary basis for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council
- 20 February 2023 – Letter from Chair to Mr Khal Asfour, Mayor, City of Canterbury Bankstown Council, regarding answers to questions on notice taken at the hearing on 21 December 2022 by Mr Asfour for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council.

Resolved, on the motion of Mr Farlow: That the committee authorise the publication of additional information in respect of Councillor El-Hayek's evidence on 17 February 2023 as per the request of Ms Rosie Kapur, Senior Associate, Wotton Kearney representing Councillor El-Hayek.

## 6. Allegations of impropriety against agents of the City of Canterbury Bankstown Council

### 6.1 Requests for documents from Canterbury Bankstown Council – Tranche 5 and 6

#### *(a) Tranche 5 and Tranche 6 documents*

Resolved, on the motion of Mr Rath: That the committee:

- agree to publish the documents circulated to members on 23 February 2023 with necessary redactions of personal information and contact details
- not publish the documents on the internet to safeguard the privacy of Council staff and make the identified documents available for members of the public to view in hard copy only by arrangement with the committee secretariat
- write to the Council to inform it of this resolution and attach the relevant documents resolved to be published.

#### *(b) Tranche 7 documents*

Resolved, on the motion of Mr Farlow: That the committee:

- keep confidential the documents provided by the City of Canterbury Council in Tranche 7 on 21 February 2023
- write to the Council to inform it of this resolution.

#### *(c) Correspondence to Council about inquiry ceasing*

Resolved, on the motion of Mr Farlow: That the committee write to the City of Canterbury Bankstown Council to:

- note their voluntary compliance with the committee's request for documents over several months
- advise that the inquiry will cease upon the tabling of the report on 28 February 2023
- advise that no further documents can be accepted by the committee from 24 February 2023.

### 6.2 Request for documents on a voluntary basis

On 17 and 20 February 2023, the committee wrote to the following companies to request that certain documents be provided on a voluntary basis: Bingo Industries, Boral, Reece, Purple Cow, Sydney Water and Ausgrid.

The committee noted that written responses were received from Bingo, Boral, Reece and Ausgrid and circulated to members on 22 February 2023.

Resolved, on the motion of Mr Farlow: That the committee authorise the publication of correspondence from the Chair to Bingo Industries, Boral, Purple Cow, Reece, Sydney Water and Ausgrid, regarding request



for documents on a voluntary basis, dated 17 February 2023 and 20 February 2023, with the exception of identifying and/or sensitive information as per the recommendation of the secretariat.

Resolved, on the motion of Mr Farlow: That the committee keep confidential correspondence received from Bingo Industries, Boral, Reece, Sydney Water and Ausgrid, regarding request for documents on a voluntary basis, dated between 17 February 2023 and 22 February 2023.

### **6.3 Answers to questions on notice**

The committee noted the following answers to questions on notice were published by the committee clerk under the authorisation of the resolution appointing the committee:

- answers to questions on notice from Mr Matthew Stewart, Chief Executive Officer, and Mr Ken Manoski, Director of Corporate Services, City of Canterbury Bankstown Council, received 17 February 2023
- answers to questions on notice from Mr Simon Manoski, received 22 February 2023.

Resolved, on the motion of Mr Farlow: That the committee keep the answers to questions on notice from Mr Ken Manoski, Director of Corporate Services, City of Canterbury Bankstown Council, taken during the *in camera* hearing on 13 February 2023, received 17 February 2023, confidential.

### **6.4 Unauthorised disclosure of confidential committee proceedings**

On 17 February 2023 the committee resolved to undertake an investigation into unauthorised disclosures of committee proceedings, as raised by Mr Khal Asfour during his appearance on 6 February 2023 and in correspondence from the City of Canterbury Bankstown Council on 19 December 2022 and 25 January 2023.

On 17 February 2023 the Director wrote to the following individuals regarding the unauthorised disclosure:

- Mrs MacDonald
- Mr Rath
- Mr Graham
- Mr Banasiak
- Mr Buttigieg
- Mr Latham
- Mr Pearson
- Mr Veitch
- Ms Sharpe
- Mr Farlow
- Mr Martin
- Mr Donnelly
- Mr Poulos
- Ms Amanda Rose, Office of Mr Graham
- Ms Angela Pollard, Office of Mr Pearson
- Ms Bo Ok, Office of Mr Farlow
- Ms Cara Punch, Office of Mr Buttigieg
- Ms Ciahn Pertz, Office of Mr Buttigieg
- Ms Cloe Brown, Office of Mrs MacDonald
- Mr Cooper Gannon, Office of Mr Rath
- Ms Elena Wewer, Office of Mr Pearson
- Ms Lizzie Butterworth, Office of Mr Graham
- Ms Megan Connor, Office of Mr Veitch
- Ms Nella Hall, Office of Mr Latham
- Ms Peta Waller-Bryant, Office of Ms Sharpe
- Ms Phoebe Fuller, Office of Ms Sharpe
- Ms Senada Bjelic, Office of Mr Banasiak

- Mr Todd Kirby, Office of Mr Martin
- Mr William Olive, Office of Mr Farlow
- Mr Edwin Dya, Office of Mr Latham
- Ms Louise Callaway, Officer of Mr Pearson
- Ms Tammy Tsimbrikas, Office of Mr Donnelly
- Mr Lachlan Clark, Office of Mr Rath
- Ms Rick Biggs, Office of Mr Barrett
- Mr Haris Strangas, Office of Mr Poulos
- Mr Nicholas Smerdely, Office of Mr Poulos.

Responses were received from the following individuals, none of whom indicated responsibility for the unauthorised disclosure, nor or any knowledge of how the confidential proceedings of the committee came to be disclosed:

- Mrs MacDonald
- Ms Sharpe
- Mr Banasiak
- Mr Poulos
- Mr Buttigieg
- Mr William Olive
- Ms Cara Punch
- Ms Ciahn Pertzelt
- Mr Martin
- Mr Farlow
- Ms Bo Ok
- Mr Veitch.

Mr Graham and Mr Rath advised verbally that neither had responsibility for the unauthorised disclosure nor any knowledge of how the confidential proceedings came to be disclosed.

Resolved, on the motion of Mr Farlow: That the committee take no further action in respect of the unauthorised disclosures.

### **6.5 Consideration of Chair's draft report**

The Chair submitted her draft report entitled '*Allegations of impropriety against agents of the City of Canterbury Bankstown Council*', which, having been previously circulated, was taken as being read.

Resolved, on the motion of Ms Sharpe: That paragraph 1.11 be amended by inserting ', reviews and referrals,' after 'These investigations'.

Resolved, on the motion of Ms Sharpe: That the following new paragraph be inserted after paragraph 1.11:

'There was also an investigation by the committee of an unauthorised leak of information from the committee'.

Resolved, on the motion of Ms Sharpe: That paragraph 1.18 be amended by inserting at the end: 'The outcome of this referral is unknown'.

Resolved, on the motion of Ms Sharpe: That the following new paragraph be inserted after 1.22:

'At the hearing on 6 February 2023, Councillor Asfour stated the following in response to questions about this matter:

The Hon. CHRIS RATH: I assume you've read that article. I think you alluded to it in your opening statement. The illegal donations from David Fam via Mr Bingsoo—the trading name now called Snow Blossom— what's your response to the article and those allegations?

KHAL ASFOUR: I have not accepted a donation from Mr David Fam. I accepted a donation from Bingsoo Pty Ltd, which is a dessert store in Bankstown.

The Hon. CHRIS RATH: Owned by David Fam?

KHAL ASFOUR: Not that I'm aware of.

The Hon. CHRIS RATH: What's your relationship with David Fam?

KHAL ASFOUR: I know David Fam. I don't have a relationship with David Fam. I have not seen David Fam for—I don't know—three or four years. I don't have a relationship with David.

The Hon. CHRIS RATH: You would not classify him as a friend?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: Has he helped on your campaigns?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: So you weren't aware at the time that David Fam had part ownership of Mr Bingsoo?

KHAL ASFOUR: And I'm still not aware that he does. I haven't seen anything to tell me that he did or had.'

Ms Sharpe moved in globo: That:

- paragraph 1.26 be omitted 'The committee has found that Councillors of the City of Canterbury Bankstown Council, and in particular Councillor Khal Asfour, have close relationships with property developers. This may have influenced planning instruments and the positioning of infrastructure across the Canterbury Bankstown Council area, and we recommend that the Independent Commission Against Corruption investigate the matter.'
- Finding 1 be omitted 'There is evidence that Councillors of the City of Canterbury Bankstown Council have close relationships with property developers in the area. Furthermore, this has a strong potential to have influenced planning instruments and the positioning of infrastructure across the Canterbury Bankstown Council area.'

Question put.

The committee divided.

Ayes: Mr Graham and Ms Sharpe.

Noes: Mr Farlow, Mrs MacDonald, Mr Martin and Mr Rath.

Question resolved in the negative.

Resolved, on the motion of Ms Sharpe: That Recommendation 1 be amended by omitting: 'its concerns regarding Councillor Asfour and' after 'State Development refer'.

Resolved, on the motion of Mr Graham: That Recommendation 2 be amended by inserting 'including third party lobbying firms' after 'through shell companies,'.

Resolved, on the motion of Ms Sharpe: That the following new paragraph be inserted before paragraph 1.23:

'In addition, at the public hearing on 6 February 2023, Councillor Asfour stated the following in response to questions about using Council resources to issue a media release relating to his candidacy for the March 2023 election to the NSW Legislative Council:

The Hon. TAYLOR MARTIN: Mr Asfour, when you resigned from Labor's upper House ticket it was inappropriately put on Canterbury Bankstown council letterhead—that media release. Why were council facilities and staff used to assist you in managing your candidacy for Labor's upper House ticket at the upcoming State election?

KHAL ASFOUR: Can you show me that? I wasn't in the country at the time and I don't know what was presented to the media, or to anyone, for that matter.

The Hon. TAYLOR MARTIN: There is a media release on council letterhead which solely discusses your resignation from Labor's upper House ticket. KHAL ASFOUR: If you say so.

The Hon. TAYLOR MARTIN: It was circulated. It was from your office.

KHAL ASFOUR: I am not saying no. I am saying I haven't seen it and I wasn't in the country at the time.

The Hon. TAYLOR MARTIN: Who did you liaise with in the mayor's office or council's communications team about putting that statement out?

KHAL ASFOUR: I wrote the statement and I sent it to council's communications team because, as an upper House candidate at the time and as the mayor of the city, I thought it was appropriate for the ratepayers to know that.

The Hon. TAYLOR MARTIN: For them to know that? Yes, it is true that it should be communicated from you, but did anyone in that communications team flag with you that this is a personal issue for you and not for the council to assist your candidacy?

KHAL ASFOUR: No, it wasn't assisting my candidacy; it was ending my candidacy.

The Hon. TAYLOR MARTIN: Nonetheless, should ratepayers really pay staff to assist in your personal candidacy? Do you think that's appropriate?

KHAL ASFOUR: No, I don't.

The Hon. TAYLOR MARTIN: Why didn't you release it personally on your own social media or through a private email address or something, rather than get the council team to assist in your affairs?

KHAL ASFOUR: I was overseas at the time and had limited internet and it was done that way. Again, I didn't—

The Hon. TAYLOR MARTIN: An oversight?

KHAL ASFOUR: I didn't know or see anything on letterhead.'

Ms Sharpe moved in globo: That:

- paragraph 1.30 be amended by omitting: 'We find that the Council misused Council resources to assist the NSW Labor Party, after 'election to the NSW Legislative Council in 2023.'

- Finding 3 be omitted: 'The City of Canterbury Bankstown Council misused Council resources to assist the NSW Labor Party'.

Question put.

The committee divided.

Ayes: Mr Graham and Ms Sharpe.

Noes: Mr Farlow, Mrs MacDonald, Mr Martin and Mr Rath.

Question resolved in the negative.

Resolved, on the motion of Mr Farlow: That paragraph 1.30 and Finding 3 be amended by omitting 'the NSW Labor Party' and inserting instead 'a NSW Labor candidate'.

Resolved, on the motion of Ms Sharpe: That paragraph 1.31 be amended by inserting 'These documents were in the thousands and spanned many years. We acknowledge the Council administrative staff who worked to provide the documents' after 'made several requests for documents from the Council'.

Resolved, on the motion of Ms Sharpe: That paragraph 1.31 be amended by omitting 'previous Labor Shadow Minister' and inserting instead 'the member for Bankstown'.

Ms Sharpe moved: That paragraph 1.31 be amended by omitting: 'Ultimately, the Council provided some but not all documents at a frustratingly slow pace and executive officers from the Council finally appeared before the committee to give evidence under summons in February 2023. Unfortunately, this left us little time to pursue these matters due to the suspension of Legislative Council business from 3 March 2023 in the lead up to the State election.'

Question put.

The committee divided.

Ayes: Mr Graham and Ms Sharpe.

Noes: Mr Farlow, Mrs MacDonald, Mr Martin and Mr Rath.

Question resolved in the negative.

Resolved, on the motion of Ms Sharpe: That Finding 4 be amended by: omitting 'The executive team of the City of Canterbury Bankstown Council has frustrated the inquiry by delaying', and inserting instead 'The timeframe for the provision of documents delayed' omitting 'previous Labor Shadow Minister' and inserting instead 'member for Bankstown'.

Resolved, on the motion of Mr Farlow: That:

- The draft report as amended be the report of the committee and that the committee present the report to the House;
- The transcripts of evidence, the submission, answers to questions on notice and correspondence relating to the inquiry be tabled in the House with the report;
- Upon tabling, all unpublished attachments to the submission be kept confidential by the committee;
- Upon tabling, all unpublished transcripts of evidence, submissions, answers to questions on notice and correspondence relating to the inquiry, be published by the committee, except for those documents kept confidential by resolution of the committee;

- The committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;
- The committee secretariat be authorised to update any committee comments where necessary to reflect changes to recommendations or findings or new recommendations and findings resolved by the committee;
- Dissenting statements be provided to the secretariat by 4.00 pm on Monday 27 February 2023 after receipt of the draft minutes of the meeting;
- The report to be tabled on 28 February 2023;

The Chair to advise the secretariat and members if they intend to hold a press conference, and if so, the date and time.

## 7. Legacy report 57<sup>th</sup> Parliament

### 7.1 Consideration of Chair's draft report

Resolved, on the motion of Mr Farlow: That:

- The draft report be the report of the committee and published on the committee's webpage
- Upon receipt of any government responses to the committee's inquiry reports, that the secretariat be authorised to update the legacy report where necessary.

## 8. Adjournment

The committee adjourned at 10.37 am, *sine die*.

Emily Treeby and Jessie Halligan

**Committee Clerk**

## Draft minutes no. 30

Monday 27 February 2023

Standing Committee on State Development

Via videoconference, at 4.01 pm

### 1. Members present

Mrs MacDonald, *Chair*

Mr Farlow (*substituting for Mr Barrett*)

Mr Graham

Mr Martin

Mr Rath

Ms Sharpe (*substituting for Mr Veitch*)

### 2. Apologies

Mr Banasiak

Mr Pearson

### 3. Previous minutes

Resolved, on the motion of Mr Graham: That draft minutes no. 29 be confirmed.

### 4. Correspondence

The committee noted the following items of correspondence:

#### **Received:**

- 24 February 2023 – Letter from Mr James Riley, RGS LAW, to Chair, regarding public hearing on 21 December 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council

- 25 February 2023 – Email from the Hon Chris Rath MLC to secretariat, regarding investigation of unauthorised disclosures – proceedings of the Canterbury Bankstown Council inquiry.

***Sent:***

- 24 February 2023 – Letter from Chair to Mr Matthew Stewart, CEO of Canterbury Bankstown Council to advise that the committee will not accept requested documents for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council from 24 February 2023.

Resolved, on the motion of Mr Martin: That the committee authorise the publication of the letter from Mr James Riley, RGSLAW, regarding public hearing on 21 December 2022 for the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council, received 24 February 2023.

**5. Allegations of impropriety against agents of the City of Canterbury Bankstown Council**

**5.1 Tabling date**

Resolved, on the motion of Mr Martin: That the committee table its report on 27 February 2023.

**6. Adjournment**

The committee adjourned at 4.08 pm, *sine die*.

Emily Treeby

**Committee Clerk**

## Appendix 4 Dissenting statement

**Hon Penny Sharpe MLC, Australian Labor Party**

**Hon John Graham MLC, Australian Labor Party**

This report was always a tale of two inquiries.

The first inquiry follows in this report. It is the inquiry into allegations made in the Legislative Assembly chamber relating to Canterbury Council. The report makes for brief reading.

The second inquiry is now being dealt with by Portfolio Committee 7. That is the inquiry into allegations made in the Legislative Assembly chamber relating to the Hills Shire Council. That second inquiry should have also been dealt with by this Committee in the view of the Opposition.

As the committee minutes show a resolution to examine the two matters together was proposed by the Opposition and opposed by the Government. Had that resolution succeeded the Hills Shire Council inquiry would have been dealt with in the Government controlled committee on terms, tempo and timing determined by the Government. That has proven not to be case.

Opposition members of the committee supported the Canterbury Council inquiry using its powers widely in the search for evidence of wrongdoing. Despite this the evidence unearthed was scant.

Mayor Asfour was also co-operative and appeared in front of the inquiry on two occasions to give evidence.

The key finding of the inquiry about the close relationships between councillors and property developers was particularly flimsy. It is not clear when reading the report what evidence this finding is based on.

The findings of the inquiry are particularly odd given that the report goes on to say in relation to the Review conducted by Arthur Moses SC: "In his conclusion, Mr Moses found the evidence showed that Councillor Asfour had 'diligently' fulfilled his obligations under the Code of Conduct." The findings of the report do not reflect this.

The evidence which was requested from Canterbury Council by the committee majority was substantial and stretched back over decades. A significant amount of material was provided by the Council in response.

The minutes show committee concerns about the leaking of confidential committee considerations. It now appears that the report itself has also been leaked prior to its completion. We place on the record our objection to such behaviour.

An important recommendation of this inquiry was that developer donation laws may need tightening, including in relation to payments by third party lobbying firms. The Opposition is developing grave concerns in regard to this and it was pleasing to see that Government members themselves supported action in this regard.

In the end the inquiry's work was incomplete. Should the House take up the suggestion that the committee reconvene, the Opposition intends to take the opportunity of re-calling the former councillors it proposed as witnesses during the hearing.





