

25 November 2014

Mr Fred Nile
Committee Chairman – Upper House Committee
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

Sent by email: newcastleplanning@parliament.nsw.gov.au

Dear Sir,

Thank for your kind opportunity offered to me to respond to statements made involving me to your committee. I refer the submission No.279 made by Sharon Grierson, she refers in her submission to me twice.

The first reference appears in Issue 1;

“ Other Newcastle developers, including Hilton Grugeon, Keith Stronach and Bill Saddington, were also questioned about possible illegal donations to the Liberal Party. ” and

“ I submit that there is sufficient evidence to lead the public to believe that the significant donations and intervention by The Alliance and by developers, in particular Jeff McCloy and Hilton Grugeon, improperly influenced the decisions of the NSW Planning Ministers, the NSW Minister for Transport and the NSW cabinet. ”

My response is as follows:

I am very simply not aware of any donation made to the Liberal Party or its candidates by myself as being illegal. At the change of laws as to which sectors can donate to political campaigns, I was very careful to check with the lawyers that I did not contravene these laws in any way.

Over many years I have contributed to the political process in seeking to support people or parties who I believed would give the best outcome for the region in which I reside and do business. Indeed I have believed it to be an obligation that I should return to my community in that the community has been good to me.

It has also been my philosophy that if business will not support good people to be involved in politics at whatever level then we would have no right to complain if people who are not so good become dominant. We have known what this has caused for our community in the

Lower Hunter with the simplest statistics have shown with 9% of the state's population generating over 30% of the States GDP, typical state expenditure on us has been in the 2,3 & 4% range of budget outlay.

We did get 6% one year of the state's money toward our police force, still only two thirds of the population we represent but the highest percentage in that year for government services.

They obviously recognised us as a bunch of scallywags. We are 9% of the population and yet we traditionally get 3 or 4% of the state's health budget when it is proven we have underlying health issues in our region - higher than elsewhere in the State. This is what we have been contending with all our lives.

So a perception has been caused on account of a lot of activity by ICAC. Much of this activity has already been proven to have denied natural justice to the individuals concerned. This perception in the public mind is not dissimilar to the public's acceptance of the McCarthyism events.

If you keep repeating untrue things enough there will be a lot of people that will believe it.

I have never sort a favour in exchange for any contributions supporting good people or parties with policies that would be to our community benefit.

When questioned in ICAC about one local member, Cornwell, and a development at Whitebridge in which I am involved in, I stated that Cornwell had supported the residents of Whitebridge who objected to the proposal, but that I was also fully accepting of this, because that was his job, they were his constituents.

It is well known that local politicians have no power in relation to planning – nor should they.

I have never paid money in exchange for political favours and the political contacts I have made from my involvement (and there are many), I have shamelessly used to get benefits for charities and services that I have sponsored such as Hunter Medical Research Institute, the Hunter Aspect School for autistic children which we built, with the support of both State and Federal Governments and many other such projects over the decades.

I cannot see that donations by the Lord Mayor Jeff McCloy and myself improperly influence the decisions of the NSW Planning Ministers, the NSW Minister for Transport and the NSW cabinet, it is a ridiculous suggestion and it is wrong.

The second reference in Grierson's submission is in Issue 3;

“The proposal includes a light rail route that departs from the rail corridor at Worth Place adjacent to property owned by Hilton Grugeon and continues along Hunter St passing property owned by Jeff McCloy.”

My response is as follows:

In the same way that the allegation of improper influence in the first reference above is completely wrong, the same must be said in relation to Ms Grierson's comment regarding property at Worth Place as being owned by me. I have never owned property at Worth Place, adjacent to Worth Place or anywhere near Worth Place.

I am amazed that assertions can be made that are untrue, but you might recall that some assertions that were made about me to your committee by residents from Whitebridge were clearly false. It almost seems it is open season on making assertions and accusations without factual foundation.

It is almost as though we won't let the facts get in the way of the headline and let me make it very clear as I finish that many of her assertions are wrong.

If you repeat such false assertions often enough a large number of people will believe that such false assertions are true. This is something that your committee will need to address.

Dear Rev. Nile, Thank you for giving me this opportunity to respond to these false accusations and on a personal level I wonder whether I should have concern for my reputation when He that we believe in made himself of no reputation. Again, when falsely accused, He answered not a word.

Please be assured I have nothing to hide and I leave it to your discretion should you wish to make this letter public.

Yours sincerely

Hilton Grugeon AM