

REPORT ON PROCEEDINGS BEFORE

**PORTFOLIO COMMITTEE NO. 7 - PLANNING AND
ENVIRONMENT**

**ALLEGATIONS OF IMPROPRIETY AGAINST AGENTS OF THE
HILLS SHIRE COUNCIL AND PROPERTY DEVELOPERS IN THE
REGION**

CORRECTED

**At Dixon Room, Macquarie Building, State Library of NSW, Sydney
on Thursday 16 February 2023**

The Committee met at 13:30.

PRESENT

Ms Sue Higginson (Chair)

The Hon. John Graham

The Hon. Penny Sharpe

PRESENT VIA VIDEOCONFERENCE

The Hon. Scott Barrett

The CHAIR: Welcome to the second hearing of the Portfolio Committee No. 7 inquiry into allegations of impropriety against agents of The Hills Shire Council and property developers in the region. The inquiry, which was sparked by serious matters raised in a speech to Parliament by the member for Castle Hill on 23 June 2022, is examining the integrity of processes, employees and elected officials at The Hills Shire Council, and the role and influence of developers and their interactions with councillors and members of Parliament in the region. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I acknowledge and pay my respect to any Aboriginal and Torres Strait Islander people joining us here today.

As a preliminary matter as we commence the hearing today, there was a matter raised yesterday about conflicts and perceived conflicts of interest between members of the Committee and the subject matter. There was a discussion that advice would be sought, on behalf of the Committee, of the parliamentary Clerks. Advice was sought, advice was received and, in essence, the advice falls on the basis that it really is a matter for members of the Committee to determine their involvement based on their perception and their decision about whether they ought to be present and participate in the Committee hearing in relation to particular witnesses. The practice of the Legislative Council reflects that of the Australian Senate with respect to the question of whether or not members should serve on committees where it may appear either that they have prejudiced matters under inquiry or that they cannot bring an unbiased mind to those matters. The advice from the Clerk of the Senate on this issue, as reported in *Odgers' Australian Senate Practice*, tenth edition, states:

... that questions concerning the service of members on a committee where they may be regarded as not entirely impartial should be decided by the individual members concerned, and that there is no general rule or convention which may be applied to all cases.

In essence, it really is ultimately a question for individual members to determine. It is not a matter for the chair of a committee where there is a non-pecuniary interest. On that note, there are two members of the Committee who have determined that they won't be present today and have disclosed that it is on the basis that they did serve on the Executive of the Liberal Party at the same time as the witness before the Committee today. This afternoon we are hearing from Dr Michelle Byrne, the former mayor of The Hills Shire Council, whom I thank very much for taking the time to attend today and give evidence.

Before we commence further, I would like to make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. In accordance with the broadcasting guidelines, the House has authorised the filming, broadcasting and photography of committee proceedings by representatives of media organisations from any position in the room and by any member of the public from any position in the audience. Any person filming or photographing proceedings must take responsibility for the proper use of that material. This is detailed in the broadcasting resolution, a copy of which is available from the secretariat.

While parliamentary privilege applies to witnesses giving evidence today, it does not apply to what witnesses say outside of their evidence at the hearing. I therefore urge witnesses to be careful about comments you may make to the media or to others after you complete your evidence. Committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. In that regard, it is important that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily. All witnesses have the right to procedural fairness, according to the procedural fairness resolution adopted by the House in 2018.

If witnesses are unable to answer a question today and want to take more time to respond, they can take a question on notice. Due to the very tight and short time frame of this inquiry, written answers to any questions taken on notice are to be provided within three days of receipt of the transcript. If witnesses wish to hand up any documents, they should do so through the committee staff. In terms of the audibility of today's hearing, I remind both committee members and witnesses to please speak into the microphones. Finally, everyone must turn their mobile phones to silent for the duration of the hearing.

Dr MICHELLE BYRNE, Former Mayor, The Hills Shire Council, sworn and examined

The CHAIR: I now welcome our witness. Would you like to start by making a short opening statement?

MICHELLE BYRNE: Yes, I would. My name is Dr Michelle Byrne. As you've just heard, I am the former mayor of The Hills Shire Council. I had the privilege of serving on the Hills council for 13 years, including seven years as the mayor. I was the first popularly elected mayor of the Hills and served until 2022. In relation to today's matter, I will say that I find it curious that it's being held on the eve of a State election and feel that it may be mudslinging. But, putting that aside, I acknowledge that the allegations made by the Hon. Ray Williams in his speech, under parliamentary privilege, to Parliament last year are concerning and do warrant further investigation and inquiry as to what happened in that circumstance. Certainly I feel that is ICAC's role to investigate, but I do appreciate that you have taken it upon yourselves to also look into these matters.

In relation to my removal from The Hills Shire Council, I think that is well documented in the media. Certainly I did make a public statement on my Facebook and, as all things happen, it did find its way into the media—not a surprise, because that always happens, doesn't it? But certainly, in relation to that, I was disappointed by the process that occurred there. Putting aside the potential influences beyond the Liberal Party itself, I was disappointed that I was not given the right to a preselection. I am okay with losing a preselection, but at least I would have had my case determined by the members. I think that's what should have happened to me: My fate should have been determined by the members of the Liberal Party out in the Hills as opposed to other people. That is all I really have to say in relation to that matter.

I did listen to parts of the witnesses yesterday and I certainly did read through the submissions that are on your website. I know that a lot of focus was put on the IBM site out in West Pennant Hills. Obviously I was somebody who was against that proposal from day one. It still remains controversial out in that community. Even though I am no longer mayor, I still have residents ringing me with their concerns in relation to that and, in particular, into the protection of the forests and the transfer of part of that site to the Cumberland State Forest. That remained particularly controversial and still does to this point in time.

I think, in general, during my time on the council, I found the staff—and I think it's worth mentioning the staff—to be very professional and diligent in their work. I always found them wanting to do the right thing and to make sure that they abide by the law and apply the planning instruments and come up with conclusions that they felt comfortable with. I always found them to be professional. Obviously they were protecting the reputation and the integrity of the organisation but also, collectively, they were protecting their own reputations as well. I always found them to be fairly professional, so it is disappointing that they have been called into this circus, like myself as well.

The Hon. PENNY SHARPE: Thanks, Dr Byrne, and thank you very much for appearing. We really appreciate your cooperation. I just wanted to run you through—and you gave a little bit of this in your opening statement—what year were you first elected to The Hills Shire Council?

MICHELLE BYRNE: I was first elected in 2008.

The Hon. PENNY SHARPE: What year did you become mayor?

MICHELLE BYRNE: I first was elected to mayor in 2012. I served for two years, because back then it was the old system where the mayor was elected every single year.

The Hon. PENNY SHARPE: Yes.

MICHELLE BYRNE: So I served for two years, took a step back for a year, because I actually had twins—so fair call, right?

The Hon. PENNY SHARPE: You would have been pretty busy, I'd imagine.

MICHELLE BYRNE: Yes. I was re-elected mayor when my twins were probably 10 weeks old. I served another year and then stepped back again to pursue a few other things.

The Hon. PENNY SHARPE: Sorry, what year was that?

MICHELLE BYRNE: So that was 2012 to 2014. From 2014 to 2015 I was the deputy mayor, from 2015 to 2016 I was the mayor again and then in 2017 I was the first popularly elected mayor of The Hills Shire Council because the system had changed. We'd had a referendum, and the community decided they wanted to elect their own mayor, as opposed to the councillors determining who the mayor would be.

The Hon. PENNY SHARPE: Yes, that sort of swap every year kind of arrangement. Very good. Well, congratulations.

MICHELLE BYRNE: Thank you.

The Hon. PENNY SHARPE: I assume you were the first woman mayor of the Hills?

MICHELLE BYRNE: No, I was the third one—the third female mayor in 109 years.

The Hon. PENNY SHARPE: But you would have been the first popularly elected mayor, because you were the first mayor anyway.

MICHELLE BYRNE: The very first popularly elected mayor, yes, which is obviously an honour and a privilege.

The CHAIR: The first with 10-week-old twins.

The Hon. PENNY SHARPE: Yes, the 10-week-old twins. It's extraordinary. Congratulations for that.

MICHELLE BYRNE: Thank you.

The Hon. PENNY SHARPE: You have had an incredibly successful career so far in terms of local government and the Hills shire. What made you want to run for local government in the first place?

MICHELLE BYRNE: I wanted to run for council because I grew up in the Hills, and I love the Hills, and I still love the Hills—nothing has changed there—and I wanted to have an opportunity to have a say in the decisions that are made within that area because, obviously, the decisions that are made shape the future of that community and what it looks like. When I joined council, I obviously didn't have children, but I knew that I wanted to create a community and ensure that the community was looked after so that my children, when I eventually did have them, would grow up loving the Hills as much as what I do, and I think they do. They spend a lot of time in this community. So there's that real drive to really want to make a difference in my community and to also fight for what I believe is right and fair for the Hills community.

I think you probably saw that during my journey through local government. I often was the lone voice in the wilderness, standing up on certain issues. It didn't make me popular all the time. I created plenty of enemies along the way, but, I guess, in public life, if you're not making decisions and fighting for something, you're actually doing nothing, and there's no point in you being there. I had an incredible journey, over the last 13 years, and I loved just about every minute of it.

The Hon. PENNY SHARPE: Yes, that's great. This is very public information, which is the fact that the population growth and the pressure on the Hills is enormous. I think you're looking at another 100,000 people in the next 20 years or so. You talk about doing what was right and how much you love your community and you wanted it to be there for people. Can you just take us through how you saw some of the development pressures and how you wanted to manage those in your public role?

MICHELLE BYRNE: Yes, of course. I'm happy to answer those questions. I think everyone knows that the Hills is a growth council. I mean, it's obvious. You go out there today and you see the changes that have occurred, even in my lifetime. Lots of once-rural areas are now quite urbanised. I think we all understand that people need somewhere to live, but development does have to occur. For myself, there would be people out there who would say, "Well, Michelle is just so anti-development to the point of being ridiculous." I never viewed myself that way. I always accepted that some development did have to occur. But, for me, and what I fought for, was that it had to be development that occurred in the right places. So around the town centres, around the transport hubs, I accepted that there had to be apartments and a mix of living choices.

I mean, the Hills was once very, very rural and just single-lot housing, but I accepted that people have different lifestyle choices and we need to cater for a range. But I always fought for having the density in the transport centres, around the transport hubs and in areas where it made sense. I also fought heavily, during my time on council as well, about the amount of development. Even though I accept some development has to occur, I never believed for a second in open-slather development. I always believed that development had to make sense. It had to fit into the area, and it had to be able to be supported with infrastructure. When I talk about infrastructure, I mean local infrastructure—roads, parks, playing fields, bridges, all that sort of basic infrastructure that a community needs to ensure that we create quality living. And also the social infrastructure—your libraries, your community hubs and all those sorts of facilities that a community needs. If you allow the development to get out of control, obviously, you've got no way of supporting that infrastructure.

So, for me, the big thing that I always fought for was how is this development going to make sense? How is it going to be supported with infrastructure? Of course, and I understand this too, applicants want to build as much as possible. I get that, but that was not my problem or my role. My role was to fight for the development that I thought best fit within the community, and I lost most of my battles. I won some, lost some. You had good

days; you had bad days with it. But, at the end of the day, I fought for what I really believed was in the best interest of my community.

The Hon. PENNY SHARPE: Local government is quite challenging because so much of the decision-making is actually not at local government level; it's in the State sphere. But you have obviously got your local environment plans and your DCPs and all of those kinds of things. Can you talk me through some of the challenges with that process with so much pressure on development in the area?

MICHELLE BYRNE: Yes, of course. Everyone knows that the power of the local government is fairly limited and, over time, the powers that we have to determine DAs and planning approvals, of course, is being whittled back. Most things now go through panels, so councillors themselves are no longer determining DAs. Yes, we still have a say in planning proposals and things like that but, at the end of the day, any decision that council makes can be overturned by another panel or go all the way up to the Minister. So there was pressure from that point of view, but the LEP was important in terms of, okay, this is where we are going to put all the density, and it's going to fit here and here and here, and we'll go out to public consultation and figure out that LEP. But I guess there was extra pressure in the Hills because of the metro. That kind of changed the game a bit in that we knew that there had to be extra density around those metro stations. That, in itself, created a lot of pressure. I guess that created a lot of interest out in the Hills as well because, all of a sudden, there's new opportunities to build around that metro.

The Hon. PENNY SHARPE: But there's large blocks, which used to have a single dwelling on them—all of a sudden, they're massed around the transport; they're worth a lot of money.

MICHELLE BYRNE: That's right. You're seeing a change. And I understood that there needed to be some density around those train stations to make them work. I understood the pressure that the Government's under as well. You know, you've got this \$8 billion train line, and you don't want it going to nowhere. You need to maximise the benefits. I understand where the Government was coming from. But, again, I had the same problem in that I needed to fight for what I felt was right to fit around those stations. It didn't make me popular, at times. I understand to residents that lived in those precincts—I wasn't their favourite mayor, and I knew that. That's because I understand, if you're going to have rezoning of your property, you want it to be as high as possible. I understand that.

But, again, for me, it was advocating and fighting with Department of Planning and with State Government to ensure that we got the density right around those train stations. If you look at something like the Showground station, for example, there was a cap on the amount of density that could go in—the number of dwellings—until, certain infrastructure had been delivered. In that respect, I did get some wins, but certainly it's a challenge because of the pressure to build infrastructure around those train stations and to allow that density to occur. But, certainly, it was a pushback and a fight to get that right because, at the end of the day, whatever you build around those stations will affect the entire area because they're the ones that are left dealing with the traffic and all of those sorts of issues and pressure on the infrastructure that's out there.

The Hon. PENNY SHARPE: You sort of touched on this, which was that you sometimes found yourself—I don't want to put words into your mouth. Basically, you couldn't please all of the people all of the time is probably the situation.

MICHELLE BYRNE: I think so. I think that's public life. I think you're making decisions, and you're making decisions that you feel are in the best interests of your community, and not everyone is going to agree with those decisions that you make. Sometimes you find that decisions that you make today don't make any sense to the community, but you know that in 10, 15, 20 years' time it will make sense. So you're always fighting for what you think is right long term. And did it create tension for me? Yes, of course it did.

The Hon. PENNY SHARPE: I just wanted to touch on this. Obviously, there is community pressure and there is pressure from those that want to do development, and it's all the time. Was there conflict within the Liberal Party branches that, I assume, as a Liberal Party councillor, you reported to and often went to, around those matters?

MICHELLE BYRNE: I think it's fair to say that, right across the Hills, it didn't matter who you talked to, and it still doesn't matter who you talk to—whether they're branch members or not is actually really quite irrelevant—there is a concern around the amount of development that is occurring out there, and they can see the changes that are occurring, pretty much overnight. You know, you move to the Hills, or in the past you moved to the Hills, because of that rural, family-friendly feeling, and now it's semirural. So, you know, there's reasons why people came to the Hills, and to see it change so quickly—and, for me, that was part of the challenge as well, was bringing the community on a journey. You know these things are going to happen, but it's managing it in a way and getting that density right and fighting for what is right and bringing the community on that journey.

I guess in some ways I was on that journey too because, you know, you grow up in the Hills and you idolise what you had as a young person—and, of course, change happens. People have got to live somewhere. There's got to be some development but, certainly, development remains an issue out in the Hills because they're seeing it in front of their eyes; they're seeing the high-rise pop up. We didn't have high-rise up until when the M2 went in, so the late nineties. It's a big change.

The Hon. PENNY SHARPE: Yes, it's quite new.

MICHELLE BYRNE: It doesn't matter who you talk to in the Hills, they will all raise with you that concern and the pressure on that local infrastructure. I was always having these conversations with branch members, party members, residents, my neighbours and the people I'd see in the shopping centre; they'd all raise similar sorts of issues.

The Hon. PENNY SHARPE: You'd obviously hoped throughout this period of time that you'd get to continue to do this work into the future?

MICHELLE BYRNE: Yes, absolutely. I am very grateful for the 13 years that I had in local government and, putting aside how it ended, I still had the opportunity to serve my community at that sort of level. I was very passionate about it and I still am passionate about it. Anyone that knows me—

The Hon. PENNY SHARPE: Would you like to do it again?

MICHELLE BYRNE: —knows that.

The Hon. PENNY SHARPE: I can tell from your evidence today and it's very welcome. We have seen your statements but, for the purposes of the Committee, I just wanted to understand when did it become clear to you that perhaps there was going to be a problem with you putting your hand up for council again?

MICHELLE BYRNE: I think it was probably in the last couple of years where I really got to feel—and this is me speaking, so this is how I felt; I am not saying that what I am about to say is right or I can prove it. But I started to feel pressure that if I didn't change my stance on development, if I didn't become more "yeah, that's okay" and less vocal that at some point it was going to cost me. I think at times I was made to feel that I was too anti-development. I was made to feel that way.

The Hon. PENNY SHARPE: When you said you were made to feel that way, who made you feel that way?

MICHELLE BYRNE: Probably the person that Ray Williams referred to in his speech to *Hansard*.

The Hon. PENNY SHARPE: Who was a serving councillor with you at the time, yes?

MICHELLE BYRNE: Who was a serving councillor, yes. Who has told me that my problem is that I am too anti-development. And so I knew that, potentially, there would be an issue for me, but I didn't care because I knew that I was fighting for what I believed in and I didn't care what it cost me.

The Hon. PENNY SHARPE: That is to be admired. So your fellow councillor was sort of indicating to you that there were going to be problems if you continued down your perceived anti-development route. Is that fair to say?

MICHELLE BYRNE: Correct.

The Hon. PENNY SHARPE: Was there a direct discussion around your ability to be preselected?

MICHELLE BYRNE: No, there was not a direct discussion. There was not a direct discussion at all, but you get to see certain behaviours and certain comments and you begin to think, "What on earth is really going on here?" I can't explain the motivation for that particular individual because I'm not her and she's not me. All I can do is reflect on how I felt and my own motivations and what drove me.

The Hon. PENNY SHARPE: Can I just clarify that that individual is now the member for Hawkesbury?

MICHELLE BYRNE: Correct.

The Hon. PENNY SHARPE: Sorry, go on, I interrupted you.

MICHELLE BYRNE: No, that's all right.

The Hon. PENNY SHARPE: So you got concerned about that. What did you expect was going to be the process around the opening of preselections for the Hills, where I assume you were intending to put your hand up again to continue?

MICHELLE BYRNE: My understanding was that there should have been a preselection. Nominations did open for the Hills—and this is all documented in the media, so I'm not speaking out of turn.

The Hon. PENNY SHARPE: No, that's fine. So when about was that?

MICHELLE BYRNE: I think nominations opened in May maybe. May of the year of the election, I think.

The Hon. PENNY SHARPE: May 2022?

MICHELLE BYRNE: Yes. Nominations opened, then nominations closed in the Hills and there was never a preselection—it's in the media. In the end, State Executive of the New South Wales Liberal Party determined the candidates for the Hills, which saw the removal of myself and everyone else.

The Hon. PENNY SHARPE: I'm going to hand over to my colleague in a minute, but I just want to be clear. So nominations opened and you submitted a nomination?

MICHELLE BYRNE: I did indeed, yes.

The Hon. PENNY SHARPE: And then what did you hear from then?

MICHELLE BYRNE: Silence.

The Hon. PENNY SHARPE: Nothing.

MICHELLE BYRNE: Nothing, really. I mean, obviously there were arguments as to when this was actually going to happen. I was advocating that there should be a preselection process. Other areas had preselection; Hornsby had preselections. Hills opens—

The Hon. PENNY SHARPE: That's right. The council next door had time for—

MICHELLE BYRNE: They had time for theirs. Their nominations opened and closed at the same time that the Hills did, so you started to feel that there was something funny going on because why does one council get preselection and another council doesn't? By the end I knew that something wasn't right and by the end I knew that, in the end, State Executive would determine who the candidates were. It doesn't take a genius to figure out that I wasn't going to appear on that list.

The Hon. PENNY SHARPE: So no-one actually directly told you that, just by then you sort of knew.

MICHELLE BYRNE: You get to know that there is another ticket floating around and your name is not on the ticket. You get to know that. That's politics; you'd all have experienced that. You know there are two tickets floating, you know both tickets will be put up for preselection and you know one will be selected and one probably won't. So you got a feeling as to what was going on. I don't think anyone is particularly stupid. So I knew.

The Hon. PENNY SHARPE: Just to be clear, when were you actually told that you weren't on the ticket? How did you find that out? Was that an email to members that said this is the ticket? What was the actual—

MICHELLE BYRNE: It would have been, I assume, an email from the State director saying this is the endorsed ticket for the Hills.

The Hon. PENNY SHARPE: No-one picked up the phone to you to tell you that?

MICHELLE BYRNE: No. No, but being a member of the State Executive you knew it was coming.

The Hon. PENNY SHARPE: This will be my last question before I hand over to my colleague. You then also sought to be able to run as an Independent. Was that after you weren't on the ticket? How does it work? I'm just not familiar with how that works.

MICHELLE BYRNE: After I was not endorsed as the Liberal candidate to be the mayor out in the Hills, the question was asked by the community if I would consider running as an Independent against the Liberal ticket. Now, I did seriously consider that—I think I might have even said it to Ray Hadley. I really did consider running as an Independent because of my passion for the area that I live in. But at the end of the day I didn't. I guess the reasoning behind that—some people didn't understand my reasoning—was that what had happened in terms of no preselections was not right; there should have been a preselection.

I think to change things you have to be inside the tent. I couldn't change things within the Liberal Party by being on the outside; I needed to be part of the team. I wanted to make sure that what happened to me—and it wasn't just me. It's easy to make it about me but it wasn't just me; there were other councillors across the State as well—that this process could never happen again and there needed to be a proper process. I needed to stay in the party to make that change and to remind people of it as well. I think the other side of the coin is, and I said it to

you before, the fact that the party did give me 13 great years in local government. If it wasn't for the Liberal Party I never would have had those experiences. So, despite what happened, I was still grateful for the opportunities that the party gave me. There was a sense of loyalty to the party as well and, at some point, I am hoping that I will return.

The Hon. PENNY SHARPE: So you would like to run again?

MICHELLE BYRNE: Absolutely.

The Hon. JOHN GRAHAM: Thanks, Dr Byrne, for your evidence, I think you've been really up-front about what was going on, as you have in the past in public. You've said that you had a feeling this was coming, that was what was really going on. But, given your record and that you were serving as mayor, and given it wasn't just you—six others were swept aside—it must have come as a bit of a shock to the system when it finally happened?

MICHELLE BYRNE: Yes, I don't think you can ever prepare yourself for what you feel is an injustice, and I felt that what happened to me and to others—not just me—was an injustice. You've got all those issues around lack of democracy and that there should have been a preselection and all those sorts of things. Was I upset? Absolutely. Why wouldn't I be? I was dumped for no reason. I think it would have been a different story if someone could say to me, "Well, Michelle, you did X, Y and Z and for these reasons, sorry, you have to go", or if I lost in a preselection process. If I'd lost a preselection, would I be upset? Yes, of course I'd be upset. No-one wants to lose a preselection. But I would be able to say, "Well, the members determine my fate and I accept the decisions that the members made. They decided somebody else was better placed to be the mayor than me. Well, that's fine." That's fine. I would have been upset, but I'd always respect the decisions that the members had made.

The Hon. JOHN GRAHAM: I mean, you were the mayor. You were the leader, in some ways, of the team, but the whole team was swept aside. It must have been a shock to them as well—for all of you—as you talked about it.

MICHELLE BYRNE: I think so. Yes, definitely. I think nobody likes to see them lose their position without a proper process in place and without a preselection. So, I think, yes, absolutely people that served with me were upset that they were denied their preselection and you can't blame them. I was upset so, yes.

The Hon. JOHN GRAHAM: You've said at the time you didn't really know exactly what had gone on. Now that time has passed, now that you've had the chance to talk some more, in your own words how would you describe why it was that this intervention happened—that, without any sort of process, you and the others weren't preselected?

MICHELLE BYRNE: Look, you see this is where we get back to speculating and I do not have any evidence. I know we have what Ray Williams said in his speech. I do not have any evidence of money changing hands or anything like that. Do I feel that what was in his speech was right? Yes, I do. My gut feeling says that's exactly what happened to me; I just can't prove it. I think the only body that really can is ICAC.

The Hon. JOHN GRAHAM: Yes. So you didn't see the money changing hands—you didn't see any evidence of that—but you would stand by what Ray Williams said on the floor of the Parliament?

MICHELLE BYRNE: Yes, I would because it's the only thing that makes any sense.

The Hon. JOHN GRAHAM: Yes. Without that explanation, you've been given no explanation. There's no other explanation.

MICHELLE BYRNE: No other explanation or conclusion I can draw.

The Hon. JOHN GRAHAM: Yes, so what Ray Williams put on the floor of the Parliament, in your mind, is the most likely explanation for what happened to you.

MICHELLE BYRNE: Absolutely—without a doubt. But, again, I can't say I've got any evidence of that. I just want to make that clear.

The Hon. JOHN GRAHAM: Yes, understood.

MICHELLE BYRNE: I don't have any evidence. I don't want to speculate that certain people did X, Y and Z without any evidence.

The Hon. JOHN GRAHAM: I feel like you've been quite clear about that, previously and here today. I think you've really drawn that distinction. I do want to ask you about the preselection. I just want to put to you a couple of elements of the preselection. I am looking here at contemporaneous notes from the local government oversight committee meeting on 27 September 2021. This is when you and a range of the other councillors had

these interventions happen. One of the arguments in the key recommendation moved and supported in that meeting was that the local government oversight committee recommended that there is insufficient time to open nominations where they've not been called. For your council, that was clearly not the case. I just want to give you the chance to respond.

MICHELLE BYRNE: No, I don't think that's true at all. I think that's probably an excuse given and, again, I go back to the comparison with Hornsby. Hills and Hornsby opened the same day, shut the same time. Hornsby got their preselection. The Hills didn't, so I don't believe that argument.

The Hon. JOHN GRAHAM: Yes. That was the reasoning in the official recommendation of the local government oversight committee meeting but, from your sense on the ground, that was an excuse, not a reason.

MICHELLE BYRNE: An excuse, yes, absolutely.

The Hon. JOHN GRAHAM: There were concerns raised in that meeting, and I'll put just a number of them to you, just to give you some flavour. There were quite a few concerns. I'll put these to you and then I am interested in your view on whether you agree with these. Some of the concerns raised in this meeting were that branch members will be excluded from having a say in who their local candidates would be; they'll be excluded from nominating, unless an MP was nominating them; there would be no independent review or screening of candidates; and that the State director's recommendations have been rejected. They're the concerns raised. Do you agree with those concerns that were raised when this recommendation was tabled?

MICHELLE BYRNE: Yes, I do. I certainly do. I think there should have been a preselection and I think there was time to have a preselection. I think the members should have been the ones who were deciding who the candidates were. It should've been up to them to have a say and also candidates—obviously, like all parties—should be vetted as well. But I certainly get back to the fact that I think the members are the ones who should've been deciding who the candidates were, whoever they picked. I don't know who they would've picked but—you know what I'm saying.

The Hon. JOHN GRAHAM: But you had a pretty good record to run on.

MICHELLE BYRNE: I think I did. I think I would've won a preselection—I think. I feel like I would have, but I would've liked to have had the chance to have a preselection and to put my case to the members, and let the members decide my fate.

The Hon. JOHN GRAHAM: You've been quite frank about what happened, previously and today, about the processes inside the Liberal Party. But, as you were speaking at the start, you also said perhaps you worried there were—well, "worried" was not your word but you talked about influences beyond the Liberal Party. Did you want to say anything about what those influences were or what you were worried about outside of the Liberal Party?

MICHELLE BYRNE: Yes, outside of the Liberal Party. I think Ray Williams' speech summed it up. It did worry me that there was influence on certain individuals to deliver certain outcomes. Again, I have no evidence that that's what was occurring, but that is how I felt—that there was something untoward going on. But, obviously, again, I couldn't prove it.

The Hon. JOHN GRAHAM: Ultimately, you felt that, in the end, whoever it was conveyed by might have been developer pressure. Is that correct?

MICHELLE BYRNE: Yes, absolutely.

The Hon. JOHN GRAHAM: And it was untoward developer pressure—that was your concern.

MICHELLE BYRNE: I think so, yes. Yes, and the fact that I was perceived as being completely just anti-development and it's fair—I know it—to say that I was not developers' favourite person because I'll always fight for what I believe in and what is right, even if it annoys the hell out of them. But I was trying to get the right outcomes for my community at the end of the day.

The Hon. JOHN GRAHAM: Yes, and you've put that clearly. Your position on development was probably one of the reasons why you're no longer the mayor. You've put that view here today. I want to ask you, though, about the specific development that we've talked about—that Toplace development of quite a few blocks bought up and a proposal, really, to move to 20 storeys high. We're talking about here potentially thousands of apartments. Did you support that specific proposal?

MICHELLE BYRNE: There are a few Toplace ones.

The Hon. JOHN GRAHAM: Yes.

MICHELLE BYRNE: Which location are you talking about? Are you talking about the one—the most controversial one was opposite the Cherrybrook train station.

The Hon. JOHN GRAHAM: Yes. It's the Cherrybrook one specifically that we've talked about in the Committee.

MICHELLE BYRNE: Yes. No, I did not support that particular planning proposal. I think in the end it was kicked out by council although I don't know where it's up to these days.

The Hon. JOHN GRAHAM: That's true.

MICHELLE BYRNE: But I did not support it.

The Hon. JOHN GRAHAM: Is there anything you want to put on the record about this specific one?

MICHELLE BYRNE: Yes. No, I didn't support it because I saw it as an overdevelopment of the site and the amount of density that was being proposed on that site, there is no way in hell that it could be supported with infrastructure, looking at the roads around it. I am not sure if you're familiar with the area out there, the roads around it, there's no way of widening the roads to cope with that extra pressure. So, no, I did not support that one. I think the last motion that came to council that I can recall off the top of my head was that it be refused. That was the recommendation of the council officers. There was a very succinct, detailed case as to why it should be refused and I obviously voted to refuse it.

The CHAIR: Did you have a casting vote in that decision, do you recall?

MICHELLE BYRNE: Not on that one, no. I had a casting vote on the IBM site for West Pennant Hills, which I think you discussed yesterday.

The Hon. PENNY SHARPE: Yes, we did.

The Hon. JOHN GRAHAM: Now, can I put to you some more. These are slightly more general concerns. They've been raised with Committee members in the course of the Committee or in the lead-up, and I am just interested in which of these you're aware of or you have a feeling was present during your time. The first of those is—obviously, there's been some discussion about large-scale recruitment into the branches in the Liberal Party in the Hills district. Did you see some of that activity in your time?

MICHELLE BYRNE: No, not really. I mean, you always see members join branches and leave branches. That's not unusual activity. I had heard of the Reformers and things like that trying to do mass recruitment to gain control of the area, I suppose—start local, get control of local and move to State and Fed. But, certainly, there's always members joining. I guess there are always people trying to bring in new members for obvious reasons. Politics is a numbers game at the end of the day. But, certainly, I didn't see mass recruitment though I'm told it was going on.

The Hon. JOHN GRAHAM: But you were—

MICHELLE BYRNE: But, yes, I was aware that these Reformer meetings were taking place and that there was a push to sign up more members, particularly in the Hills.

The Hon. JOHN GRAHAM: Yes, which was what I wanted to ask you about. The Reformers—Christian Ellis, a founder of the Reformers, really setting out a goal to change the direction of the Liberal Party by recruiting people.

MICHELLE BYRNE: I think so, yes, absolutely. Yes, definitely.

The Hon. JOHN GRAHAM: In your mind, that was an active consideration. How effective that was, maybe you're not vouching for that but—

MICHELLE BYRNE: I guess we'll never know at this point because we didn't have a preselection, so we don't know how effective that was. But, yes, certainly we knew that—you know, I knew that—he was recruiting through the Reformers and it was not a secret. Everyone knows about Beckington, his company, and Toplace was a client at one point. So of course you think there's something suspicious going on there. Why wouldn't you?

All this is public information anyway. I'm not telling you anything that you couldn't find out for yourselves. But, certainly, you could feel that push to try and take over the area.

The Hon. JOHN GRAHAM: And that was one of the ways developer pressure was being applied. That's how you felt. Is that a fair statement?

MICHELLE BYRNE: That's a fair statement.

The Hon. JOHN GRAHAM: Tell us about the Reformers. What were they up to? What was their goal?

MICHELLE BYRNE: I don't know much about the Reformers. Clearly I wasn't invited, for obvious reasons. I didn't know much about them other than it was a real push to use that forum, whether it be promoting real conservative ideals and bringing people in, or believing that they're fighting some sort of battle. I'm not sure. I never attended a Reformers meeting. So how they were doing it, I'm not sure. But I guess at the end of the day everyone is trying to get control, I suppose. But I'm not sure how they were doing it, how they were getting those members, how those memberships were being paid or anything like that. I've no knowledge of that. I have no evidence other than most people think there was something going on there.

The Hon. JOHN GRAHAM: When it comes to that recruitment, when it comes to those memberships, people felt there was something going on. But you couldn't quite—

The Hon. SCOTT BARRETT: Point of order: The internal groups of the Liberal Party are clearly outside the terms of reference about The Hills Shire Council here, and the make-up of different groups or factions or whatever they want to be called seems irrelevant to these terms of reference.

The Hon. JOHN GRAHAM: They're becoming increasingly relevant, Chair, but I'm relatively happy to move on. I think the witness has answered those questions. I can move on to other material.

The CHAIR: We're moving on, Mr Barrett.

The Hon. JOHN GRAHAM: Clearly, you were concerned that the delay in the preselection was really about changing the result in the preselection.

MICHELLE BYRNE: Absolutely.

The Hon. JOHN GRAHAM: There's no doubt in your mind about that.

MICHELLE BYRNE: No doubt.

The Hon. JOHN GRAHAM: Are you concerned that one of the motives for those delays—one of the motives for changing the team—was really about development in The Hills Shire Council?

MICHELLE BYRNE: Yes. Get the pain-in-the-butt mayor out of the way, who is perceived as anti-development, and have a better chance of getting things through without me in the way, jacking up and fighting against it.

The Hon. JOHN GRAHAM: Looking back, are you concerned about developer cash being funded into branch recruitment, possibly via lobbying firms?

MICHELLE BYRNE: Yes, but I have no evidence of that.

The Hon. JOHN GRAHAM: Yes. I think you've been clear on that. You don't have evidence. You couldn't prove it.

MICHELLE BYRNE: I do not have evidence, so I could not accuse anyone of doing that. Do I think potentially it was going on? Yes.

The Hon. JOHN GRAHAM: But I do want to ask you, is that one of your concerns?

MICHELLE BYRNE: Yes.

The Hon. JOHN GRAHAM: Developer cash funnelled into branch recruitment by these lobbying firms?

MICHELLE BYRNE: Yes.

The Hon. JOHN GRAHAM: I don't know if you saw the evidence given to the Committee yesterday by Frits Maré. I don't know if you're aware of the evidence yesterday.

MICHELLE BYRNE: I am aware of the evidence and I read about it in the newspaper too.

The Hon. JOHN GRAHAM: Certainly. Having established that, are you concerned that the same request made in that instance, where that was refused—that is, dollars for branch stacking—may have been accepted in other cases, that is, dollars for branch stacking in your area either from other businesspeople or from developers?

MICHELLE BYRNE: Yes, I think so. I think if you go and ask one person, you're probably going to ask another five or six if they would support the same thing, and I think it was bigger than the Hills. I think it was about taking over the whole world, really, not just the Hills. It's easy to make it all about the Hills. But, again,

I think that's more something for ICAC to investigate. Certainly if anyone has got any evidence of that, which I do not, that's where it should be—with ICAC.

The Hon. PENNY SHARPE: You touched on this before and it just triggered me to follow up on this: You've said that it's not just the Hills. Which other areas were also—

MICHELLE BYRNE: That's just me speculating, because I think if you're going to go to all that effort—

The Hon. PENNY SHARPE: But you indicated before that there were—some councillors were getting preselection; some were not. The reason why people were not getting preselections was because supposedly they were running out of time, when that was clearly not necessarily the case. Are there other council areas that you're aware of that basically had the tickets endorsed by the State Executive rather than by the preselectors at that time?

MICHELLE BYRNE: There were other areas where there were no Liberals endorsed. I think you can find those in the media—Blacktown, Parramatta, through there. So it wasn't just the Hills that was affected.

The Hon. PENNY SHARPE: No, that's right. That's what I'm trying to get. So there's Blacktown and Parramatta. Where else?

MICHELLE BYRNE: I'm not sure about Cumberland. There were a few others but I can't remember off the top of my head. I'm too Hills-centric.

The Hon. PENNY SHARPE: That's alright. It's just that you mentioned it.

The Hon. JOHN GRAHAM: Dr Byrne, thank you for your evidence. You've already mentioned one of those lobbying firms that you're concerned about, and that was the Beckington Group. I just want to put to you one of the other lobbying firms that has been put to Committee members, and that's Macquarie Consulting. Are you familiar with that one at all?

MICHELLE BYRNE: No, I'm not.

The Hon. SCOTT BARRETT: Chair, I have a couple of questions if I get the chance, please.

The CHAIR: Go for it, Mr Barrett.

The Hon. SCOTT BARRETT: Thanks, Dr Byrne, for coming along and giving evidence to this circus, as you referred to it. I know you have said this but can I just confirm that you don't have any evidence of the sort of impropriety that's being alluded to and it is just speculation?

MICHELLE BYRNE: That's right. I don't have any evidence. So, certainly, these are not allegations that I'd make outside these rooms, and I think you can notice that I'm being very careful what I say because I do not want to pin something on someone without that evidence. And I come back to the fact that you get a sense that something is not right. You think something is happening and then you start to look at what's going on in the media and you look at what happened yesterday and you begin to think, "Yes, there really is something here." But, again, I don't think that's a matter for a parliamentary inquiry. That's a matter for ICAC. I've always said it: Any suspicion or any form of corruption or allegations like these should be with ICAC, who has the power to investigate these sorts of matters.

The Hon. SCOTT BARRETT: I wouldn't disagree with that. Could you think of any other reason that the ticket was replaced?

MICHELLE BYRNE: Not really, no. I've seen factional battles but this one was more than just that. So that's the only conclusion that I can come to.

The Hon. SCOTT BARRETT: But your faction on that ticket was essentially replaced by a different faction on that ticket?

MICHELLE BYRNE: Almost 100 per cent, yes.

The Hon. SCOTT BARRETT: So it was just a factional swap?

MICHELLE BYRNE: No, I don't think so. I think it was more than that going on, just because of—

The Hon. SCOTT BARRETT: Based on speculation?

MICHELLE BYRNE: Just based on what I saw and the things that I saw happen, and some of the behaviours of people. But in terms of being able to say definitively, "Was it just a factional thing?" I can't. I think it was more than a factional thing, but everyone is entitled to perceive it how they want to perceive it, I guess.

The Hon. SCOTT BARRETT: Which is essentially what this is about. Thank you for your time, Dr Byrne.

MICHELLE BYRNE: That's alright.

The CHAIR: Going on a complete pivot here, do you have any knowledge about who or what led to the IBM site becoming part of the COVID recovery fast-track development process?

MICHELLE BYRNE: No, I don't. For the IBM site, it obviously did end up going through a fast-tracking process during the pandemic, but it was a site that was never part of the station precinct where rezoning was going to occur. It was outside of that, so that's what started some concerns. All applicants are entitled to put in a planning proposal on the land they own and to see where it goes, but it was quite a controversial planning proposal all the way through council. There were a lot of concerned residents about the rezoning of that site. It was obviously an IBM site, so that was obviously a commercial site that then became a residential site. There was a lot of concern around that change in that zoning and how development on that site would be supported, again, with the local infrastructure. It does back onto the Cumberland State Forest, as well, so a lot of residents are concerned about the impact of development so close to that forest.

It was quite a controversial planning proposal, but it was also one where there were differing views across the elected body. In the end it did come down to a casting vote, which, as history tells you, was irrelevant anyway because it was approved anyway. But there were differing views. There were some councillors that felt that it was an appropriate development and others that didn't, and I guess that's the nature of local government as well. It's a democracy, so not all decisions go the way that you think they should go. You just accept that this is the decision that this council has made, whether you agree with it or not. But for myself, I was always opposed to it and I didn't waver. When it first came to council, my argument was that we needed the commercial land to support jobs for future residents and to meet our job target. Nowhere during that period could anyone convince me that it was okay to lose that commercial site and make it housing. How it got on the fast-track list, I don't know. It just did, and obviously it's now history—the planning proposal and the rezoning have already occurred.

The CHAIR: Once you had found out that you weren't on the ticket and you did contemplate possibly running as an independent, did you have discussions with people within your faction or within the other faction as to "Don't do it" or "Yes, you should"?

MICHELLE BYRNE: Look, everyone has different views on what you should do.

The CHAIR: Of course they do.

MICHELLE BYRNE: I could go and talk to the world today about "What do you think I should do next?" and I would get a hundred different answers about what I should do. Of course there were people in the community who were saying to me, "Yes, you should do this; you've got all our support; you can do this," and people in the community saying, "Oh, it's a bit of a risky move; don't do it." Similarly, within the party, it didn't matter who I talked to. Someone would say, "You know what? You've got this; you can really do this." Others would say, "Oh, it's a bit risky, depending on what you want to do in the future."

But for me, at the end of the day, I had to think about—I had to block out those voices, obviously, because you can't make everyone happy, and come to a conclusion and a decision that I was comfortable with and I felt was best for me at this point in time, and for my family as well. That's why I chose not to run as an independent at that point in time. A lot of thought went into it, because there were days when I thought, "You know what? I can do this, and I'm going to run as an independent up against the party." But, yes, when it came to the crunch and I really thought about it, I thought, "This is not the right timing for me. I need to fix things within the party." Also, my family had been through enough.

The Hon. PENNY SHARPE: Your last comment touches on this. Obviously we have very few women in local government, and I think that only a third of the mayors are women. What would you say to young women who want to get involved in local government?

MICHELLE BYRNE: I would say I hope I've made the path a little bit easier. I would encourage women to have a go and to get involved in local government. I think women have something special to bring to the table, and I think they bring another perspective and another point of view. At times is it a boys' club? Have I found that in my own journey? Yes, particularly in my earlier days on council, when I knew nothing about anything. But certainly I would say to all women: Get out there; give it a go. You've got this; you can actually do it. You can break through that ceiling. I actually hope in the future that we see more mayors and more female Premiers and more female Prime Ministers as well.

The CHAIR: Thank you very much for attending this hearing. Committee members may have some additional questions for you after the hearing, and you will be contacted by the secretariat if so. If there are any questions, you have three days to return those. You took no questions on notice.

The Hon. PENNY SHARPE: I indicate that we won't have any further questions for the witness, so I think it's finally over—unless I think of something amazing overnight, which is highly unlikely at this point. I just flag with you it is unlikely.

The CHAIR: Or members of the Government. Thank you very much for attending.

(The witness withdrew.)

The Committee adjourned at 14:33.