REPORT ON PROCEEDINGS BEFORE

STANDING COMMITTEE ON STATE DEVELOPMENT

ALLEGATIONS OF IMPROPRIETY AGAINST AGENTS OF THE CITY OF CANTERBURY BANKSTOWN COUNCIL

CORRECTED

At Dixson Room, Ground Floor, Mitchell Building, State Library of NSW, Sydney on Wednesday 21 December 2022

The Committee met at 9:30.

PRESENT

The Hon. Aileen MacDonald (Chair)

The Hon. Mark Banasiak
The Hon. Scott Farlow
The Hon. John Graham
The Hon. Mark Latham
The Hon. Taylor Martin
The Hon. Chris Rath
The Hon. Penny Sharpe

PRESENT VIA VIDEOCONFERENCE

The Hon. Mark Pearson

The CHAIR: Welcome to the first hearing of the inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown council. Before we commence, I would like to 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 also acknowledge and pay my respects to Aboriginal and Torres Strait Islander people joining us today. This morning we will be hearing from Councillor Khal Asfour, the Mayor of the City of Canterbury Bankstown council. The mayor is accompanied by his legal advisers.

Before I commence, 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. Proceedings are also being recorded and a transcript will be placed on the Committee's website once it becomes available, noting that the transcript is likely to be available from early to mid January. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings. 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 they make to the media or to others after they complete their 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 a right to procedural fairness, according to the procedural fairness resolution adopted by the House in 2018. I note that, in accordance with that resolution and with the prior agreement of the Committee, the witness appearing today will have reasonable opportunity to consult legal advisers during the hearing. If the witness is unable to answer a question today and wants more time to respond, he can take a question on notice. Written answers to questions taken on notice are requested to be provided within 14 days of the provision of the transcript, which, as indicated, will be in January. In terms of the audibility of the hearing today, I remind Committee members and the witnesses to speak into the microphones. Finally—I better do this myself—everyone should turn their mobile phones to silent for the duration of the hearing.

Councillor KHAL ASFOUR, Mayor, City of Canterbury Bankstown, sworn and examined

The CHAIR: I welcome our witness for today's proceedings. Before we commence, would you like to make a short statement?

KHAL ASFOUR: Yes, I would, thank you. **The CHAIR:** Keep it to a couple of minutes.

KHAL ASFOUR: Sure. Thank you, Committee Chair and honourable members of the Committee. Can I also acknowledge the traditional owners of the land upon which we meet, paying respects to Elders past, present and emerging. Before making my opening statement, I'd like to place on the record that I'm appearing at this inquiry, voluntarily and under no duress and with the intention of cooperating fully with all reasonable and fact-based questions which afford me procedural fairness.

Coming here today, I'm filled with mixed emotions. At the core of these emotions is one of anger—anger at the haphazard way this inquiry was called and the lack of transparency and due process afforded to not only myself but the council staff that have been called to appear, and anger at the besmirching of my good name and integrity.

With no reflection on this Committee, the Minister for Local Government, Wendy Tuckerman, should be sacked for calling this inquiry and wasting taxpayer funds all for political gain—an inquiry so broad and based on unfounded, baseless allegations made under parliamentary privilege with the sole purpose of damaging my reputation and my political aspirations. It is no secret I got under the skin of this Government when I stood up for my community and many other residents of western Sydney during the harsh lockdowns and overzealous policing during the COVID pandemic. I've had a political target on my back ever since and this is payback.

The Minister has, on at least four occasions, attacked me in Parliament, yet not once has she bothered to pick up the phone to check on my wellbeing or inquire about the allegations thrown around, nor has she bothered to ask her own department, the Office of Local Government, which has greater powers than this inquiry, to conduct an inquiry with fair and appropriate terms of reference. One should be asking the question of the Minister: Why has she blindsided and bypassed her own department? In fact, the president of the independent body, Local Government NSW, wrote to the Minister posing that very question.

Members of the Committee, the Minister orchestrated this inquiry with the full knowledge that any wild, unsubstantiated allegations can be hurled around with the protection afforded politicians under parliamentary privilege. It's no secret that former Prime Minister Scott Morrison's headkickers are now operating here in Macquarie Street and Minister Tuckerman is clearly a puppet of these faceless Morrison men and smear kings and doing their bidding.

I'll take a deep breath before sharing with the Committee my real anger. It stems from having to watch my wife, my children, my parents, my loved ones go through the mental anguish of having to deal with the lies and innuendo perpetuated by the dumped and disgraced member for Bankstown, Tania Mihailuk. A coward who has raised these allegations previously and someone who fails to disclose that her allegations were previously referred to the ICAC and thrown out more than 10 years ago.

Members of the Committee, I have served my community as a councillor and mayor for the past 17 years, and my reputation and my integrity are intact. During this time, there has never been any credible allegation that I have acted unethically or improperly. You should be aware that as a councillor I have no delegated authority to spend money or make any decisions on behalf of the council without the knowledge and approval of the elected council body.

Furthermore, I have written to the Chief Commissioner of the ICAC, Mr John Hatzistergos, referring the parliamentary allegations to him. Council has also commissioned the eminent Arthur Moses, SC, to oversee an inquiry into Ms Mihailuk's claims and other matters, and my understanding is his report is imminent. Finally, I would like to share the personal toll the baseless allegations and the calling of this inquiry have had on my family. My wife is on the brink, having to listen once again to these hurtful personal attacks at a time when she was spending days caring for our young daughter, Annalise, who has Angelman syndrome, a rare genetic neurological disorder. I really do hope none of you have to go through this. All I ask from this Committee is for procedural fairness, as the truth is my defence. I know that, once the mud is washed away, justice and my truth will prevail.

The Hon. MARK LATHAM: Point of order: Who are the other two gentlemen seated at either side of the witness? Are they going to be sworn in? Certainly if they're providing any advice to the witness from this close proximity, I'll be able to hear it and might have opportunity to respond to it. The normal practice would be

for people sitting at the front table to be sworn in as witnesses. Otherwise they'd sit behind and pass up notes. At a minimum, I'd just like to know who they are, I suppose.

The CHAIR: I was just getting to that, saying that he brought legal representation today and that is under the procedural fairness—and we as a Committee did agree to this. They don't do an oath because they're not providing evidence today.

The Hon. MARK LATHAM: Do we know their names, please?

KHAL ASFOUR: I can introduce them to you, Mr Latham.

The Hon. MARK LATHAM: Thank you.

KHAL ASFOUR: This is David Lloyd, SC, and this is James Riley.

The CHAIR: Are your lawyers here today being paid by Canterbury Bankstown council?

KHAL ASFOUR: I'm happy to take that on notice, Madam Chair.

The Hon. SCOTT FARLOW: How do you not know?

KHAL ASFOUR: I'm happy to take it on notice.

The Hon. SCOTT FARLOW: You'd know if you're paying them or if the council is paying them.

KHAL ASFOUR: I've answered the question.

The Hon. MARK LATHAM: Point of order: The witness has been sworn in and has a very important legal obligation under the Evidence Act of the Parliament to provide accurate information to the Committee. The witness must know the basis on which he's got two lawyers sitting on either side of him and who's paying for them. He has a legal obligation to accurately provide the Committee with that information.

The CHAIR: I'm happy for him to take that question on notice.

The Hon. MARK LATHAM: And the two gentlemen must know who's paying them.

KHAL ASFOUR: I'm happy to confer, if you don't mind.

The Hon. MARK LATHAM: They must know who's paying them. They wouldn't be here otherwise, would they?

The Hon. SCOTT FARLOW: Who's the invoice to?

KHAL ASFOUR: Madam Chair, my barrister and solicitor are here today and are instructed by council's insurer.

The Hon. MARK LATHAM: Council's paying.

The CHAIR: Who paid for the letter that Rebekah Giles sent to some of the members of this Committee?

KHAL ASFOUR: Rebekah Giles? I paid for that.

The CHAIR: The questioning will be 20 minutes to the Government, 20 minutes to the crossbench and then 15 minutes at the end for the Opposition.

The Hon. TAYLOR MARTIN: Mr Asfour, I refer to one particular section of your opening statement in which you mentioned that Local Government NSW wrote to the Minister.

KHAL ASFOUR: Yes.

The Hon. TAYLOR MARTIN: How do you know that Local Government NSW wrote to the Minister?

KHAL ASFOUR: Because they forwarded a copy to the council.

The Hon. TAYLOR MARTIN: I refer to your 2022 disclosure of pecuniary interests and other matters. Under "sources of income" you have listed EAL Consulting as a source of income, with the address as a PO Box in Chullora. There does not seem to actually be an ABN for an EAL Consulting in Chullora. Are you able to elaborate a bit more on that company?

KHAL ASFOUR: It's not a company; it's a business. I haven't done much work—I don't have the details at hand for that.

The Hon. TAYLOR MARTIN: Can you tell us what EAL stands for?

KHAL ASFOUR: The initials?

The Hon. TAYLOR MARTIN: Yes.

KHAL ASFOUR: "E" is my son Elias, "A" is my daughter, Analise, and "L" is my son Lucas.

The Hon. TAYLOR MARTIN: Is it an incorporated entity?

KHAL ASFOUR: No.

The Hon. TAYLOR MARTIN: You've declared yourself as self-employed through EAL. Does it have any other partners, or is it just you?

KHAL ASFOUR: No.

The Hon. TAYLOR MARTIN: Okay, just you, and what's your role? Are you the managing director?

KHAL ASFOUR: Self-employed.

The Hon. TAYLOR MARTIN: Self-employed, just a one-man band. What kind of consulting does EAL consult on?

KHAL ASFOUR: I haven't really prepared, because the terms of reference are so broad, for that. I'm happy to take that on notice.

The Hon. SCOTT FARLOW: You don't know what you do as a self-employed—

KHAL ASFOUR: I haven't done much work through EAL for quite a long time.

The Hon. SCOTT FARLOW: But you would have some knowledge of what it did at the time.

KHAL ASFOUR: I've consulted for—

The Hon. SCOTT FARLOW: For who? Who have you consulted for?

KHAL ASFOUR: For clients.

The Hon. SCOTT FARLOW: Who are these clients? In what profession?

KHAL ASFOUR: I'm happy to take that on notice.

The Hon. MARK LATHAM: To the point of order I took earlier: The mayor has furnished a document to the council dated 18 November listing this consultancy group as a current, relevant source of his income. It's a pecuniary interest declaration under the rules of the New South Wales statute. It's just not credible, having listed this as a source of income, to say he has no knowledge of who he is doing the consulting for or who pays the income to him. He must know and has a legal obligation to tell this Committee.

The CHAIR: You've said you want to take that on notice?

KHAL ASFOUR: I don't have the details at hand, but I'm confident I haven't done anything inappropriate.

The Hon. TAYLOR MARTIN: Hang on. In your opening statement you said the truth will be your defence. We are giving you the opportunity to tell the truth, and you simply zip up within 15 minutes of opening. The business name, as you just said, is your children's names put together in an acronym. You're the sole operator; it's your business and you run it. You can't even name one client, but you name it as a source of income in your pecuniary interests. It's just bizarre.

KHAL ASFOUR: I haven't done much work through EAL for a long time. I don't have the details at hand. The terms of reference for this inquiry are broad, and I did not bring myself up to speed with the history of EAL Consulting. I was focused on my councillor and mayoral role because of the terms of reference. Again, I've taken it on notice, and I'm happy to provide that response.

The Hon. TAYLOR MARTIN: This is not a business that you have joined or a board that you're a part of that has operations everywhere. You're telling us it's basically the family business. You're the one running it, the managing director or thereabouts. You're self-employed through the business, but you can't name one client here.

The Hon. SCOTT FARLOW: Or what you do.

The Hon. TAYLOR MARTIN: Or what it does, what the consulting consists of.

KHAL ASFOUR: It's a consulting business.

The Hon. SCOTT FARLOW: "Consulting" is a broad term.

KHAL ASFOUR: Again, I'm happy to take it on notice and provide the Committee with that answer.

The Hon. MARK LATHAM: Point of order: The pecuniary interest declaration seeks sources of income received by the mayor from an occupation at any time since 30 June this year. We're talking about a company that's been listed as a source of income for the mayor in the past six months, and it's just not credible for the mayor to say he's got no knowledge of what those sources of income have been and to refuse to tell this Committee reliable information regarding who he's been consulting for. This is a defiance of the rules of the Parliament and the due processes of this Committee.

The CHAIR: I'm happy for the witness to take that question on notice, offering procedural fairness.

The Hon. TAYLOR MARTIN: Mr Asfour, less than 15 minutes ago you said the truth will be your defence. I am asking you a pretty open question: Can you tell us if any of the clients you dealt with in that capacity reside or operate in the Canterbury Bankstown area?

KHAL ASFOUR: I think I've answered the question.

The Hon. TAYLOR MARTIN: You certainly have not; you've pled the fifth, mate. You've turned up and said the truth will be your defence, and now you've gone to ground and you won't—

The Hon. PENNY SHARPE: Point of order: I know that Mr Martin is very excited and that he wants to argue with the witness. The witness has indicated he's taking it on notice. In your last ruling, Madam Chair, you indicated that that was acceptable. They need to move on.

The Hon. TAYLOR MARTIN: To the point of order: I'm actually not trying to argue. I am giving a pretty open question—pretty simple stuff. At the very beginning of this whole inquiry, I think it's bizarre that the witness says they want the truth to be their defence and then pleads the fifth at the first opportunity. Madam Chair, I ask the witness if any of the clients of EAL are based overseas.

KHAL ASFOUR: I'll take that on notice.

The Hon. TAYLOR MARTIN: Would you say that your income from EAL is your largest source of income?

KHAL ASFOUR: No.

The Hon. TAYLOR MARTIN: Would you say that your remuneration from Canterbury Bankstown council is your largest source of income?

KHAL ASFOUR: Yes.

The Hon. TAYLOR MARTIN: We'll return to this later.

The Hon. CHRIS RATH: Councillor Asfour, I move now to the issue of your MBA, which has received some media attention. Under the councillor facilities and expenses policy adopted at the ordinary meeting of 22 August 2017, councillors must fill out a request for councillor professional development or long-distance travel before approval can be given for professional development. Did you fill out a request for councillor professional development or long-distance travel prior to commencing your MBA?

KHAL ASFOUR: I don't recall whether I filled out a form. I did have a conversation with my general manager and I think a file note was taken.

The Hon. CHRIS RATH: Do you remember whether you had to fill in such a form for each subject, or was it just a form at the beginning of the process in which you started your MBA?

KHAL ASFOUR: I need to go back and check but I believe there was no form. There was a file note, from my recollection, after a conversation with the CEO about pursuing professional development.

The Hon. CHRIS RATH: Would you be able to take on notice whether such a form was completed—

KHAL ASFOUR: Absolutely.

The Hon. CHRIS RATH: —at the beginning of the MBA and for each subject, if that was required?

KHAL ASFOUR: Sure.

The Hon. CHRIS RATH: In terms of that conversation that you had with council staff, is it such council staff that determine the eligibility of the program under which the entitlement falls?

KHAL ASFOUR: It's in accordance with policy, yes.

The Hon. CHRIS RATH: So they would provide advice in terms of whether it's included in the guidelines of the policy or not.

KHAL ASFOUR: Yes.

The Hon. CHRIS RATH: Who did you first approach at council when you were looking to fund your MBA?

KHAL ASFOUR: The CEO, after the Office of Local Government introduced guidelines to mandate professional development for all councillors.

The Hon. CHRIS RATH: And do you remember the CEO at the time saying that your expenses as part of the MBA did fall within the entitlement?

KHAL ASFOUR: I want to be clear. I didn't ask to do an MBA. I asked to do subjects of the CEO that I felt were pertaining to my role, that would help me in my role as the mayor of a large city with a \$400 million budget, with \$4 billion or more in assets, and I thought some of the subjects that the MBA involved, that I had to undertake, would help me in my role. So I asked the CEO if I could undergo these subjects, when and if I could, and time permitting, and I would seek his agreement that they fell within the scope of my role as the mayor.

The Hon. CHRIS RATH: And he gave you that agreement—that it did fall within the entitlement?

KHAL ASFOUR: Yes. Further to that, this was asked of the council by the Office of Local Government, and the Office of Local Government have come back to the council and categorically agreed that my professional development, my education, were completely within the guidelines of council's policy and, to quote the correspondence, "No further action is warranted."

The Hon. CHRIS RATH: Is that a document that was provided to you—

KHAL ASFOUR: That's correct.

The Hon. CHRIS RATH: —by the Office of Local Government?

KHAL ASFOUR: That was provided to the council by the Office of Local Government.

The Hon. CHRIS RATH: Would we be able to table that document?

KHAL ASFOUR: I don't have it with me but we'll be able to give you that—

The Hon. SCOTT FARLOW: On notice.

KHAL ASFOUR: On notice, yes.

The Hon. CHRIS RATH: And did the CEO at the time raise any concerns about Canterbury Bankstown council funding your MBA, or subjects of your MBA?

KHAL ASFOUR: As long as the subjects were pertaining to my role, I would ask the CEO on an annual basis and he would give his agreement or disagreement.

The Hon. SCOTT FARLOW: Can I jump in there for a second? I will let Mr Rath return to that. According to council policy that existed at that time in 2017, you stated you have taken on notice whether you filled out a form. Your recollection is largely that you didn't and that a file note was taken, but 6.30 of council policy at the time stated:

Approval for professional development activities is subject to a prior written request to the Mayor and General Manager using the 'Request for Councillor Professional Development of Long Distance Travel' Form ... which outlines the:

- details of the proposed professional development
- relevance to Council priorities and business
- relevance of the exercise of the Councillor's civic duties

Was it determined that you would not do that because that request was supposed to go to both the mayor and the general manager? Was that the reason that there was no form provided?

KHAL ASFOUR: As I said, I would need to check if there was a form. I need to check if there was a form.

The Hon. SCOTT FARLOW: Okay.

The Hon. CHRIS RATH: In terms of the budget, the amount of money that was allowed to be spent for such professional development, in 6.5 of the *Councillor Expenses and Facilities Policy* adopted on 22 August 2017 it states, "Council will set aside \$3,000 per councillor annually in its budget to facilitate

professional development of councillors, other than conferences and seminars, through programs, training, education courses and memberships of professional bodies. The cost of travel will be funded in accordance with the relevant travel expenses clause of this policy." Were you aware of the \$3,000 limit for councillors' professional development?

KHAL ASFOUR: Yes.

The Hon. CHRIS RATH: Do you think you complied with that \$3,000 limit?

KHAL ASFOUR: I was undergoing a subject in the new financial year, being 2018-19. That's when the subject commenced. That's when my studies happened. I lodged a claim for the amount for that subject prior to the financial year and administratively it was paid two weeks prior to the financial year.

The Hon. CHRIS RATH: One of the subjects you did was Project Management Principles—is that correct?

KHAL ASFOUR: Yes, it is.

The Hon. CHRIS RATH: What projects have you managed at council since completing this subject?

KHAL ASFOUR: There's been many projects that I've had to—many, many projects that we pass in our annual budget. Also, tender documents do come to confidential sessions of the council, which are in relation to projects, so I think it's important that I understand the principles behind project management as part of my job.

The Hon. CHRIS RATH: But wouldn't you agree that being the mayor is like being a chair of a board? It's not a matter for a management role going to the issue of an MBA or project management. That's what the council staff are there to do in terms of management. The role of a mayor is more in terms of governance and representation of your community.

KHAL ASFOUR: Do you agree that it's also a role to oversee the management, as a chair would?

The Hon. CHRIS RATH: Well, there is a role for governance, so something more appropriate would be something like, you know, the Australian Institute of Company Directors, for instance, rather than a management role.

KHAL ASFOUR: Again, my job as the mayor is to oversee the management. We have seen examples across New South Wales of staff not doing the right thing: Central Coast, for example; Kiama. If the elected body and members of the elected body don't have the right skill set to oversee—again, \$400 million budget, \$4 billion worth of assets, millions of dollars spent on projects across the city every year. That's the obligation I think I have and that's why I did those subjects, to make sure that projects, finances, leadership were all important aspects of my role.

The Hon. CHRIS RATH: Was one of the projects that you were intimately involved in the Bankstown master plan?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: What was your involvement in the Bankstown master plan?

KHAL ASFOUR: I have no involvement in the Bankstown master plan. I declared a non-pecuniary conflict of interest and had no involvement and was excused from any discussions relating to the Bankstown master plan.

The Hon. CHRIS RATH: Did you attend any of the briefings on the Bankstown master plan?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: Provide any feedback on the progress?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: In terms of the reimbursement, which we were talking about before, falling in the same financial year, you were reimbursed for a second subject on 12 June for \$2,545. The two MBA subjects totalled \$5,090. Was this brought your attention by the council staff?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: So you were in breach of the policy because you were over the limit that was allowed and it was never brought to your attention by anyone at Canterbury Bankstown council.

KHAL ASFOUR: No. As I mentioned, I put in the claim. It then goes through an administrative process. If the claim was paid two weeks later, there would not have been a breach, so the breach was technical in nature. Again, I don't pay myself. I put in the claim form and the council then reimburses.

The Hon. CHRIS RATH: So the council approves the expenses?

KHAL ASFOUR: The council staff reimburse the claim.

The Hon. CHRIS RATH: They approve?

KHAL ASFOUR: The claim?
The Hon. CHRIS RATH: Yes.

KHAL ASFOUR: Yes.

The Hon. CHRIS RATH: So their role is to approve?

KHAL ASFOUR: Yes.

The Hon. CHRIS RATH: You lodge the form and then they decide whether it's in accordance with the guidelines—in accordance with the rules, with the policies—and then they approve the claim. So they have the power to not approve certain claims as well?

KHAL ASFOUR: Yes.

The Hon. CHRIS RATH: Have you ever had any such expenses knocked back?

KHAL ASFOUR: I would need to take that on notice. I've been on the council for 17 years and made many claims, as falls under the council's expenses and facilities policy.

The Hon. CHRIS RATH: At the ordinary meeting on 25 September 2018, changes were made to the councillor expenses and facilities policy. Do you remember what any of those changes were?

KHAL ASFOUR: There were a number of changes, it is my recollection, due to guidelines changing from the Office of Local Government, and a number of other factors that were all provided to the Office of Local Government when they asked the question.

The Hon. CHRIS RATH: Before that change, as we spoke about, the professional development allowance was \$3,000 a year. After that change went through, you could claim up to \$15,000. Do you remember that being one of the changes that was adopted?

KHAL ASFOUR: The change was to facilitate professional development, and the amount was changed not just for professional development. That number of \$15,000 for the mayor then included conferences, seminars, programs, training, study tools, programs with affiliated organisations and membership of professional bodies, as detailed in the councillor professional development handbook.

The Hon. CHRIS RATH: It was a very generous increase. Did you instigate these changes?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: Was it instigated by council staff?

KHAL ASFOUR: I don't agree that it was a generous increase. It was a culmination of different, separate facilities that were then combined into one facility.

The Hon. CHRIS RATH: Yes, but looking through the policies at the time—because we have looked at this—if you bundle up all those different pots of money that you're talking about, it still doesn't come anywhere near \$15,000. It was still quite a significant increase even after you had bundled up those pockets of money into one single fund.

KHAL ASFOUR: Do you know how much it comes up to?

The Hon. CHRIS RATH: I think it was around a 50 per cent increase after combining all those different—

KHAL ASFOUR: I disagree with that, but I would need to take on notice the exact amount.

The Hon. CHRIS RATH: But you supported these changes?

KHAL ASFOUR: Yes—as well as, from memory, it was unanimous. It went on public exhibition. It's been voted on. It's come back since that time another time, where we voted to go on public exhibition and then resolved to adopt the policy.

The Hon. MARK LATHAM: Thank you, Mayor Asfour, for being here today. In relation to your two lawyers with you—Mr Lloyd, SC, and Mr Riley—how many other lawyers are working with them as part of your legal team?

KHAL ASFOUR: I've engaged these two gentlemen.

The Hon. MARK LATHAM: Maybe you can confer with them to ask how many backup lawyers they've got.

KHAL ASFOUR: I think there's a question as to whether it falls within the terms of reference, number one.

The Hon. MARK LATHAM: It goes to my second point, as to how much the council is budgeting to pay for your legal team. If it's more than the two lawyers, that's obviously a bigger amount. If it's just the two—and the council expenditure is obviously well within the terms of reference—what are you budgeting and what's the size of your legal team?

KHAL ASFOUR: The council is not paying a cent for my legal representation; it's the council insurer that is paying for my legal representation, as I've stated earlier.

The Hon. MARK LATHAM: How does that work—the council is going to make an insurance claim on the fact that you've had to appear at a parliamentary committee? I've never heard of that. If your claim is rejected, obviously someone has to pay for these gentlemen and their team. What's the contingency that the council is allowing for budgeting for your legal team? If I were your insurer, I wouldn't be paying a cent out for the fact that you're here facing allegations from your local State member of Parliament, and other matters, to appear before a parliamentary committee. So the council, surely—

KHAL ASFOUR: But you're not my insurer, Mr Latham.

The Hon. MARK LATHAM: No, I'm not, but I'm telling you that I would be surprised if the insurer would pay. I don't know what arrangement you've got with them.

KHAL ASFOUR: That's a matter for the insurer then, isn't it?

The Hon. MARK LATHAM: Yes, but the council must have a contingency in mind for the cost to the council and the ratepayers of your legal team. What is that?

KHAL ASFOUR: You should ask the CEO.

The Hon. MARK LATHAM: Well, the CEO hasn't appeared, and refused to appear.

KHAL ASFOUR: I understand there was an appearance scheduled for this afternoon that was cancelled.

The Hon. MARK LATHAM: I will come to that matter shortly. You said earlier on that you oversee management but you're saying here that you've got no idea of what the financial liability might be for your council in funding your legal team.

KHAL ASFOUR: Not one cent of council is paying for my legal team; it's the council insurer. I think I've answered that now enough times.

The Hon. MARK LATHAM: Have you got a letter from the insurer saying their meeting the claim even though you wouldn't have lodged the claim because you don't know the expenses?

KHAL ASFOUR: You answered your own question there, Mr Latham.

The Hon. MARK LATHAM: Have you got the letter from the insurer that you can provide to the Committee?

KHAL ASFOUR: I do not.

The Hon. MARK LATHAM: Can you take that on notice to get correspondence with your insurer relating to the cost of your legal team?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: The lawyers lodge their own claim on behalf of the council? That's good work if you can get it. I'm in the wrong business here, mate.

KHAL ASFOUR: I will take it on notice.

The Hon. MARK LATHAM: Thank you. In your opening statement, Mayor, you made a very passionate and personal statement of your objection to this Committee inquiry raising personal family matters that

are now on the public record. If those family problems are so critical, why are you running for State Parliament, to take you further away from home, with big responsibilities in an eight-year term? He has put them on the terms of reference because he put them in his opening statement.

KHAL ASFOUR: That is certainly not within the terms of reference.

The Hon. MARK LATHAM: You put them in your opening statement, which is open for questioning by the Committee. If those problems are so critical, why are you taking yourself further away from the problems with an eight-year term for the Labor Party in the upper House?

KHAL ASFOUR: Madam Chair, that does not fall within the terms of reference.

The Hon. MARK LATHAM: It does after you provide an opening statement. I didn't say those things; you put them on the public record. Doesn't it seem incongruous that if those problems are so critical at local government level, you would take on the bigger time responsibilities of running for State Parliament? That doesn't match up, does it?

The CHAIR: In terms of this inquiry, I don't think it is under the terms of reference.

The Hon. MARK LATHAM: It was in the opening statement. We will note that there was no answer to that point.

KHAL ASFOUR: I ask for the question to be struck from the record, Madam Chair.

The Hon. TAYLOR MARTIN: No, that's not how this works. We ask the questions.

The Hon. MARK LATHAM: How about we strike your opening statement from the record and your attack on the local government Minister? If you want to get passionate and personal, people will ask you questions about it. I've asked a legitimate question.

The Hon. JOHN GRAHAM: Point of order: Chair, you have ruled on this matter. I think it would be sensible for us to move on.

The CHAIR: We will move on.

The Hon. MARK LATHAM: Thank you, Madam Chair. You mentioned earlier on the non-appearance of the CEO. What discussions did you have with the CEO about his non-appearance?

KHAL ASFOUR: I haven't had any discussions about his non-appearance. That's a matter for him.

The Hon. MARK LATHAM: Not a single word was spoken about the fact that he wouldn't be coming to an inquiry into you?

The Hon. JOHN GRAHAM: Point of order: Just for clarity, my understanding, as a Committee member, is that the CEO is appearing now. That's been deferred until January. But, at the moment, Chair, I think, at the understanding—

The Hon. MARK LATHAM: But why didn't he appear today, as originally scheduled?

The Hon. PENNY SHARPE: Because Parliament was recalled.

The Hon. JOHN GRAHAM: Because of Parliament sitting.

The Hon. PENNY SHARPE: They were due to come this afternoon. They had agreed to come this afternoon.

The Hon. MARK LATHAM: Okay.

The Hon. JOHN GRAHAM: I think it would be fair—there was some initial resistance, but they are now appearing, those officials, and we're expecting them in January.

The Hon. MARK LATHAM: Mayor, as far as you know then, the CEO will appear?

KHAL ASFOUR: As far as I understand.

The Hon. MARK LATHAM: As mayor, are you aware of a document prepared by Suzy Stewart, the former wife of the CEO, that outlines page after page—dozens and dozens—of allegations against the CEO, each of them probably a sacking offence in their own right?

KHAL ASFOUR: I have not read this document.

The Hon. MARK LATHAM: You've got no knowledge of this document that's circulating in some quarters in the Canterbury-Bankstown Local Government Area?

KHAL ASFOUR: I have not read this document.

The Hon. MARK LATHAM: Would you undertake that, as mayor, if you were provided with this document, with serious, heinous allegations against your CEO—and, I understand, a personal friend and associate of yours—the CEO will answer these point after point at the Committee inquiry where he does appear?

KHAL ASFOUR: I take back that he is a personal friend. I have a good working relationship with my CEO, as all mayors do—number one. Number two, I don't know what's in that document.

The Hon. MARK LATHAM: Well, let me quote point four from Suzy Stewart.

KHAL ASFOUR: And, number three, if it falls within the terms of reference, I'm sure my CEO can answer it.

The Hon. MARK LATHAM: Point four says, "Khal Asfour, the mayor, is a personal friend of Matthew's. Matthew has attended his home for visits on a couple of occasions. Matthew approved a granny flat for the mayor after being pressured by him."

The Hon. PENNY SHARPE: Point of order—

The Hon. MARK LATHAM: These are credible allegations that contradict your evidence.

The Hon. PENNY SHARPE: I'm not seeking to get into the middle of this, but Councillor Asfour has just indicated that he has not seen this document. It does not directly deal with him, it deals with the councillor officers who you'll have an opportunity to put questions to when they actually appear before the Committee, so I think we should probably move on.

The Hon. MARK LATHAM: I'll take that advice.

The CHAIR: And you will leave that for the next one.

The Hon. MARK LATHAM: Yes, Madam Chair, I will take that advice, but having been a mayor myself in another lifetime, there are varying ways in which you can answer all matters or narrow it right down. I'm unaware of what the mayor exactly knows, and that's why I am asking questions. If you want me to bring them to the CEO's notice, I will do so at the appropriate occasion. Something the mayor does know about is EAL Consulting. Can I just confirm, Mayor, that earlier on you told us that this is basically a sole trader operation?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: Why then when I looked it up on the Apollo search engine, which aggregates all the available online information about the company and is a global respected search engine, it lists four employees of EAL Consulting, of which you are one?

KHAL ASFOUR: I don't know what you're talking about, Mr Latham.

The Hon. MARK LATHAM: Do you know someone called Michael Fan who works for the company?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Do you know someone called Rakesh Sapru who is the managing director?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Do you know Ming Guo?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: You've never heard of any of those people?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Is there any reason you can understand why the Apollo search engine would list them as three employees and you're the fourth?

KHAL ASFOUR: You need to ask the Apollo search engine.

The Hon. MARK LATHAM: Does EAL provide management consulting services that combine strategic process people integration, change management and human resources management? Is that what you do?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: What is the nature of the consulting?

KHAL ASFOUR: I think I've said that I'll take that question on notice, but can you furnish me with that document, Mr Latham? I'd like to see what it is that you are quoting from.

The Hon. MARK LATHAM: At the conclusion of the meeting, I'll give you a copy of it, but it's a credible search engine.

KHAL ASFOUR: For procedural fairness, it would be easier for me to answer questions if I have seen it.

The Hon. MARK LATHAM: I furnish you with what I choose to furnish you with, and that's not procedural fairness. I am just asking you, are you aware of any of those individuals? It also lists notable alumni Sunnie Huang. Do you know Sunnie Huang?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: You don't? So you're adamant then in your evidence to this inquiry that you are the only employee and only consultant that operates for EAL?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: Why hasn't it got a registered office at Chullora?

KHAL ASFOUR: It's a PO Box, isn't it, on my pecuniary interest?

The Hon. MARK LATHAM: Why does the ASIC search for EAL not turn up any registered location other than one in the United States and one in Shanghai?

KHAL ASFOUR: I can't answer why the ASIC register says what it says. I can tell you that I am self-employed. It is not a company.

The Hon. MARK LATHAM: Have you ever lodged any ASIC information about EAL?

KHAL ASFOUR: No. Asset information did you say?

The Hon. MARK LATHAM: ASIC.

KHAL ASFOUR: ASIC. No.

The Hon. MARK LATHAM: The Federal regulator.

KHAL ASFOUR: Not that I can recall.

The Hon. MARK LATHAM: Have you ever had a registered office in Shanghai?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Have you ever done any consultancy work for Chinese financial interests?

KHAL ASFOUR: Not that I'm aware of. I'll take that on notice, but not that I'm aware of.

The Hon. MARK LATHAM: You'll take it on notice. Thank you. If I can just come to your interest at Melbourne Grand—

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: —do you remember when this company was incorporated?

KHAL ASFOUR: I believe it to be in 2020.

The Hon. MARK LATHAM: If it was incorporated in 2020 and you had a financial interest in it, why didn't you declare it on the relevant pecuniary interest of the council?

KHAL ASFOUR: Melbourne Grand is a trustee for a bare trust, a bare trust that was set up for a self-managed super fund, which occurred in 2020. Bare trusts do not need to be disclosed, and I was given advice to say that you don't need to disclose the bare trust. As a result, I did not disclose the Melbourne Grand Pty Ltd. When I was made aware of my oversight, I immediately updated the record.

The Hon. MARK LATHAM: Who provided you with that original advice?

KHAL ASFOUR: I don't know—it may have been my solicitor at the time.

The Hon. MARK LATHAM: Your private solicitor?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: Wouldn't you normally get advice about pecuniary interest declarations from your CEO at the council? Why is a solicitor an expert on local government laws?

KHAL ASFOUR: Because he set up the bare trust.

The Hon. MARK LATHAM: He set up the bare trust. So you never spoke to the CEO to get advice about the relevant pecuniary interest requirements?

KHAL ASFOUR: About the bare trust?

The Hon. MARK LATHAM: If you had a doubt as to whether it should be declared, wouldn't you speak to your CEO? That would be the standard practice of a mayor.

KHAL ASFOUR: As I said—

The Hon. MARK LATHAM: You'd say, "Mr Stewart, what do I need to do here?"

KHAL ASFOUR: —the bare trust does not need to be declared in a pecuniary interest form. Again, when I was made aware of the oversight, that the trustee for the bare trust needed to be declared, I then updated my register.

The Hon. MARK LATHAM: So you've said initially it didn't need to be declared, and now you're saying—

KHAL ASFOUR: No, I said the bare trust does not need to be declared and isn't. The trustee, however, for the bare trust does need to, because it's a corporation. However, it is not a trading entity. It does not have an ABN. There is no P&L. It's set up just as a vehicle to borrow money to complete the transaction for the super fund.

The Hon. MARK LATHAM: What's the nature of your financial interest in the company?

KHAL ASFOUR: I'm a shareholder and director, I'm sure. But, again, it's a non-trading entity.

The Hon. MARK LATHAM: Can you confirm that the company owns a property in the Melbourne Grand apartment complex in Melbourne?

KHAL ASFOUR: The super fund does, yes.

The Hon. MARK LATHAM: Why was that acquired?

KHAL ASFOUR: Because I decided with my wife to move from my industry fund and purchase a property, and the super fund decided to buy the building or the unit in Melbourne.

The Hon. MARK LATHAM: Have you got any knowledge of who financed that purchase for the super fund?

KHAL ASFOUR: I rolled over my industry super fund money, over years of working, and my wife's industry super fund money and made the purchase. The difference was acquired through a loan, which, again, is why the bare trust was set up, because a super fund under the SIS Act cannot borrow money.

The Hon. MARK LATHAM: Who financed the loan?

KHAL ASFOUR: As in which lender financed the money to the—

The Hon. MARK LATHAM: Yes. KHAL ASFOUR: La Trobe Financial.

The Hon. MARK LATHAM: It wasn't BC Invest?

KHAL ASFOUR: I then refinanced and it went to BC Invest.

The Hon. MARK LATHAM: It went through BC Invest.

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: You visited this site to inspect the property?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: Who financed that? Who funded that?

KHAL ASFOUR: It was privately funded.

The Hon. MARK LATHAM: It had nothing to do with council finances, the trip to Melbourne?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Are there any other properties owned by Melbourne Grand that you should declare an interest in?

KHAL ASFOUR: No. Melbourne Grand is not defined as real property and so is not on my pecuniary interest.

The Hon. MARK LATHAM: But this is a property you've travelled to Melbourne to inspect, and by the sound of it you're regarding it as owned by you.

KHAL ASFOUR: It's owned by the fund.

The Hon. MARK LATHAM: It's owned by the fund, but what's your use of it? What use is made of it?

KHAL ASFOUR: I have no use of it.

The Hon. MARK LATHAM: But who manages the use of the property?

KHAL ASFOUR: As in the real estate manager?

The Hon. MARK LATHAM: Yes.

KHAL ASFOUR: The real estate manager.

The Hon. MARK LATHAM: I just can't understand why, if this is all—**KHAL ASFOUR:** Do you have a self-managed super fund, Mr Latham?

The Hon. MARK LATHAM: No, I don't.

KHAL ASFOUR: Well, then, that's maybe why you don't understand.

The Hon. MARK LATHAM: I'm not understanding because your answers are confusing and somewhat contradictory, because you're making it out this is all at arm's length. If it's arm's length, why do you go and inspect the property yourself? Wouldn't that indicate that you'd have some personal use for the property?

KHAL ASFOUR: No, it would not. No. It was the super fund that I'm a director of and that my wife is a director of that went and inspected the property to make sure that the super fund was getting an asset that it had paid for.

The Hon. MARK LATHAM: It's not a dead asset. How does the asset earn income? What's the arrangement you've got?

KHAL ASFOUR: It has tenants or has a tenant in the unit.

The Hon. MARK LATHAM: That's what I'm asking.

KHAL ASFOUR: That's what I'm answering.

The Hon. MARK LATHAM: It is being financed by BC Invest. They're predominantly Chinese finance, aren't they?

KHAL ASFOUR: It was done through a self-managed super fund broker.

The Hon. MARK LATHAM: Did you approve the refinancing through BC Invest of the property that you personally inspected?

KHAL ASFOUR: The broker—I investigated. I looked into a refinancing. The broker suggested that we refinance from La Trobe—that the super fund refinance from La Trobe to BC Invest, and that's what occurred.

The Hon. MARK LATHAM: BC Invest specialise in overseas loans, don't they, including China?

KHAL ASFOUR: I don't know.

The Hon. MARK LATHAM: You don't know. What is your relationship with Jamie Clements? Has he acted as a lawyer for you in any of these matters?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: No? But your relationship with Mr Clements is best described as—

KHAL ASFOUR: Mr Clements is a former General Secretary of the Labor Party. I don't have a relationship with Mr Clements.

The Hon. MARK LATHAM: You're not friends at all? Associates?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: No?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Okay. They are our questions at the moment, unless Mark had some.

The CHAIR: Other questions?

The Hon. MARK BANASIAK: No, I'm all good.

The Hon. CHRIS RATH: I wanted to come back to my line of questioning from before. But before I do, just following up from Mr Latham's questioning, does EAL have an ABN?

KHAL ASFOUR: Can I take that on notice? I think it does, but I just—yes, it—

The Hon. CHRIS RATH: Would you be able to provide the ABN to us?

KHAL ASFOUR: Yes.

The Hon. CHRIS RATH: Because I could not find an ABN for EAL Consulting in Chullora.

KHAL ASFOUR: Yes. Sorry, can I—yes, I don't think EAL has an ABN, no.

The Hon. SCOTT FARLOW: It's not registered for GST?

KHAL ASFOUR: It is, under my name—my private name.

The Hon. SCOTT FARLOW: So EAL is effectively a trading name?

KHAL ASFOUR: Yes, it's just a name I've set up.

The Hon. CHRIS RATH: Going back to the different pots of money that were put together in terms of professional development, when those changes were made, looking at it again in the break, if you include all of those different sections of money together, you would get to \$11,000, whereas the changes increased it to \$15,000. So it was a substantial increase, wouldn't you say?

KHAL ASFOUR: Not 50 per cent.

The Hon. CHRIS RATH: Well, almost. KHAL ASFOUR: It was suggested—

The Hon. CHRIS RATH: Or about 40 per cent.

KHAL ASFOUR: It was suggested by the staff to change the—to merge the different facilities. That was the suggestion made. We then—as a council, not "we". The council then put the policy on public exhibition, then it came back to council and it was, from memory, unanimous in support of adopting it. The Office of Local Government has reviewed all of our policies and found that it is compliant with the Office of Local Government guidelines.

The Hon. CHRIS RATH: Was your intent of combining those different sections of money and increasing it by 40 per cent—were those arrangements put in place so that you could fund your MBA?

KHAL ASFOUR: I didn't put those arrangements in place, the council did—and, no.

The Hon. CHRIS RATH: So you didn't have discussions with the council about those arrangements of combining those different—

KHAL ASFOUR: Again, the council has responded to the Office of Local Government inquiry—I'm sure Minister Tuckerman has a copy of it. It has cleared the policy and no further action has been warranted by the Office of Local Government into my professional development studies.

The Hon. CHRIS RATH: But don't you think, Councillor Asfour, that it doesn't really pass the pub test that the average ratepayer who is seeing their rates go up quite substantially would then be funding your MBA with significant increases in the professional development fund?

KHAL ASFOUR: I'm pretty sure the Mayor of Waverley has \$20,000 in their expenses and facilities policy. Mine has been 15 now, for a number of years, for the mayor of my city. The pub test question is an interesting one. I think it depends on what you're telling the drinkers at the pub. I think if you explain to them the background and the fact that—what the policy allows for, most of them would agree there is nothing to see. But regardless, again, the OLG has agreed there is nothing to see here.

The Hon. CHRIS RATH: So no regrets?

KHAL ASFOUR: No.

The Hon. CHRIS RATH: Last year under your mayoralty Canterbury Bankstown council had the largest rate hike of any metropolitan council. Do you think that fits well in terms of then going out on a bit of a spending spree when it comes to professional development?

KHAL ASFOUR: I think it's important to know that the council has not applied nor sought to increase its rates above the SRV since I've been on the council. And I don't agree that it's the largest, even though I can take that on notice.

The Hon. CHRIS RATH: Do you know what the average Canterbury Bankstown council ratepayer will be slugged with after the rate hikes?

KHAL ASFOUR: I think it depends on what property they own.

The Hon. CHRIS RATH: Well, from what I'm seeing, the average residential rate in 2025-26, with the proposed special variation, would be \$1,403 for Bankstown ratepayers and \$1,611 for Canterbury ratepayers, which is 8.4 per cent and 24.5 per cent higher than estimated average residential rates of \$1,294 for Office of Local Government Group 3. So I would suggest that the rate increases are incredibly high at a time when the professional development money has been increasing quite substantially. Do you see how that might not give the best perception for Canterbury Bankstown council?

KHAL ASFOUR: The rate rises, or the increase in the SRV, was approved by IPART. It was approved by IPART and I'm told the feedback said it was one of the most impressive applications made to IPART in relation to SRV in the fact that we consulted thoroughly with our community, understanding that the council—at the former Bankstown, anyway—had never applied or sought to increase above the SRV. And when you couple that with the cost shifting that has occurred over the years, or decades, towards local government and the amount of infrastructure and infrastructure backlog that we as a council need to administer and manage moving forward, I think you need to put your question in context—that, while I wish we didn't have to, the SRV formula is broken and that's why it's under review by your Government.

The Hon. CHRIS RATH: So you don't think that you're ripping off the ratepayers of Canterbury Bankstown?

KHAL ASFOUR: No.

The Hon. SCOTT FARLOW: Thank you, Madam Chair. Mr Asfour, I might turn now to some of your overseas study trips and the like through council. Would you mind outlining for the Committee where you have been overseas on behalf of council?

KHAL ASFOUR: Can I take that on notice, because I don't want to forget one.

The Hon. SCOTT FARLOW: Well, you can start with a general gist, can't you, of where you've been?

The Hon. TAYLOR MARTIN: Off the top of your head.

KHAL ASFOUR: Yes, sure. Firstly, all travel done overseas has been in accordance with the *Councillor Expenses and Facilities Policy* and approved by council. All travel has been presented to an open council meeting and approved by councillors, all done in accordance with the policy. I know there has been media about a United States trip back in 2019. I have also represented council overseas at my own expense. So, you know, I'm happy to take that on notice, Mr Farlow.

The Hon. SCOTT FARLOW: But which cities have you been to? Have you been to LA?

KHAL ASFOUR: Have I been to LA? Yes, I have been to LA.

The Hon. SCOTT FARLOW: For council? Have you been to San Diego?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: Have you been to London?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: Have you been to New York?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: Have you been to Chicago?

KHAL ASFOUR: That was not a council-funded trip.

The Hon. SCOTT FARLOW: That was a personal trip, was it?

KHAL ASFOUR: Yes, on which I had some meetings, including with the Mayor of Chicago and with the Australian consul to Chicago. But that trip was solely privately paid.

The Hon. SCOTT FARLOW: Have you been to Toronto?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: Have you been to Tokyo?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: You're sort of the Lucky Starr of Local Government aren't you—the *I've Been Everywhere* man?

KHAL ASFOUR: I've been on council for 17 years, Mr Farlow. They're not all individual trips, as you seem to put them. A lot of those trips were one trip where a number of cities were visited.

The Hon. SCOTT FARLOW: Okay, so let's turn to one of those trips where there were several cities visited. You've got the Cities Leadership Exchange—

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: —which I think was the 2019 trip you were referring to before. Can you describe what that exchange program was about?

KHAL ASFOUR: The Cities Leadership Exchange—can you just remind me which one?

The Hon. SCOTT FARLOW: I believe that was 29 October until—sorry, this is the 2017 trip—9 November 2017.

KHAL ASFOUR: That was a trip organised by the Cities Leadership Group. Many mayors and councillors have, with the Cities Leadership Group, travelled overseas to look at what other cities are doing. That was a trip, from memory, focused on smart cities. It was done with the professor at the time who had been working with council. Again, it was back in 2017 so I am just trying to recall.

The Hon. SCOTT FARLOW: It was five years ago. Pretty close to the date, yes?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: How did you first hear about this exchange?

KHAL ASFOUR: From memory—again, I will correct the record if I am mistaken—that was a decision made by the administrator at the time. There was no council. The administrator resolved that a person go on the trip. That was all done in an open council meeting by the administrator. That's when the decision was made. After the 2017 elections, I was made aware that this had happened—that there was a resolution by council—and, having that happen, I went on the tour.

The Hon. SCOTT FARLOW: Did anyone else join you from Canterbury Bankstown council or was it just you?

KHAL ASFOUR: Can I take that on notice?

The Hon. SCOTT FARLOW: You can.

KHAL ASFOUR: I think there was one person but, again, I just want to make sure.

The Hon. SCOTT FARLOW: On that visit, what cities did you visit? I think this was one where you said there were several cities.

KHAL ASFOUR: Yes, that was essentially California, San Diego, San Jose, a lot of the Tech Valley area—

The Hon. SCOTT FARLOW: San Francisco, or not?

KHAL ASFOUR: I don't think San Francisco, no.

The Hon. SCOTT FARLOW: Mexico, at all?

KHAL ASFOUR: Not as part of the trip.

The Hon. SCOTT FARLOW: But you went to Mexico while there?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: In a private capacity?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: Was that during the trip, or was that after or before?

KHAL ASFOUR: It was during a break in the trip, from memory.

The Hon. SCOTT FARLOW: How much did that trip cost Canterbury Bankstown council?

KHAL ASFOUR: I would need to take that on notice.

The Hon. SCOTT FARLOW: The *Councillor Expenses and Facilities Policy*—this is the one of 2017—states:

For any overseas travel or Councillors seeking approval for any overseas travel, a report must be considered by a full Ordinary Meeting of Council prior to travel.

Any such report will include:

- objectives to be achieved in travel, including an explanation of how the travel aligns with current Council priorities and business, the community benefits which will accrue as a result, and its relevance to the exercise of the Councillor's civic duties
- who is to take part in the travel
- duration and itinerary of travel
- a detailed budget including a statement of any amounts expected to be reimbursed by the participant/s

Was there such a report furnished to council?

KHAL ASFOUR: For which trip?

The Hon. SCOTT FARLOW: For that 2017 trip.

KHAL ASFOUR: I understand there was.

The Hon. SCOTT FARLOW: And that was prepared by you or prepared by council staff?

KHAL ASFOUR: It was—again, from memory—when there was no elected body, after the Government had sacked both the councils, and it was a report—from memory—that the administrator brought to the council.

The Hon. SCOTT FARLOW: I will return to that later.

The Hon. MARK LATHAM: Can I ask the mayor if you are aware of a personal bank account held by the CEO of the council which holds money deposited directly from Bankstown council?

KHAL ASFOUR: I am not aware.

The Hon. MARK LATHAM: Have you ever heard of your CEO referring to this account that is used for personal purposes, not connected to the council?

KHAL ASFOUR: I have not.

The Hon. MARK LATHAM: Are you aware of the CEO's company credit card?

KHAL ASFOUR: The council credit card?

The Hon. MARK LATHAM: Yes.

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: What monitoring or checking does the council undertake that all the expenditures there are related to council purposes, not private purposes?

KHAL ASFOUR: Sorry? I misheard.

The Hon. MARK LATHAM: What monitoring and checking does the council undertake on this credit card to see that all the expenditures are legitimate and to do with local government rather than personal?

KHAL ASFOUR: I will take that on notice, because there would be one or two levels of scrutiny, I am sure. But I will take that on notice.

The Hon. MARK LATHAM: Did the council, yourself included, organise a trip to Turkey and, I assume, Anzac Cove related to the centenary of Anzac?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: What information did you garner that then related to the council's centenary of Anzac commemorations?

KHAL ASFOUR: Again, all travel was done in accordance with the *Councillor Expenses and Facilities Policy* and approved by the council. I am proud of the contribution our council has made in relation to being part of those centenary celebrations. The council set up a working group and the minutes are well documented. There was a local essay-writing competition for local high school students where the winner and their guardian travelled with us to Turkey for a significant event to, obviously, honour our diggers. That was the point of the trip.

The Hon. MARK LATHAM: How many attended on the trip? There was yourself and the general manager.

KHAL ASFOUR: I will take that on notice.

The Hon. MARK LATHAM: What was the overall expenditure involved?

KHAL ASFOUR: I will take that on notice.

The Hon. MARK LATHAM: Do you know of any other council in New South Wales that felt the need to have an expenses paid trip to Turkey to commemorate Anzac? While Anzac is vitally important to our national history and culture—

KHAL ASFOUR: Did you say fully expenses paid?

The Hon. MARK LATHAM: Yes.

KHAL ASFOUR: I don't believe that was fully expenses paid.

The Hon. MARK LATHAM: You said you didn't know the amount that the council spent.

KHAL ASFOUR: I don't know the number, no.

The Hon. MARK LATHAM: What was the breakdown? What did you cover out of your own pocket on this trip?

KHAL ASFOUR: From memory—again, I will take it on notice—I certainly paid for my international airfare.

The Hon. MARK LATHAM: Did you also undertake a trip to Liverpool, England?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: And that was from Istanbul, was it? So it was Istanbul Airport to Liverpool Airport, I assume.

KHAL ASFOUR: Yes, it was.

The Hon. MARK LATHAM: Was that privately or council funded?

KHAL ASFOUR: Privately funded.

The Hon. MARK LATHAM: What about your accommodation in Liverpool?

KHAL ASFOUR: Privately funded.

The Hon. MARK LATHAM: And the purpose of the trip to Liverpool?

KHAL ASFOUR: It was a private trip. If it falls within the terms of reference, I am not sure. But it was a private trip, 100 per cent private. To be clear, this story has been shopped around a number of reporters and journalists for years now, and once they understand that it was a private trip, they have dropped off the story. Again, the documents surrounding the Turkey leg and reports of the trip are there. Transparency is important.

They have been published on the council website. The London leg or the England leg of the trip was 100 per cent privately funded.

The Hon. MARK LATHAM: But the council had organised the trip to Turkey and then you piggybacked off the back of that to get yourself to an EPL game in Liverpool, England.

KHAL ASFOUR: As I said, I paid for my international airfare to Turkey and then paid privately again for the trip to London.

The Hon. MARK LATHAM: But the council, I am assuming, is paying for your accommodation in Turkey, tour guides and your time at Anzac Cove. The council is helping you make the trip to Turkey, isn't it?

KHAL ASFOUR: No. I paid for the trip to Turkey from my own private funds. It was a privately funded international airfare. I paid for the international airfare privately.

The Hon. MARK LATHAM: I have been in local government. I know how it works.

KHAL ASFOUR: Exactly. You know how it works.

The Hon. MARK LATHAM: You piggybacked out of Turkey knowing that the council paid for your accommodation in Turkey, yes?

KHAL ASFOUR: But I paid for the airfare, Mr Latham.

The Hon. MARK LATHAM: I'm not asking about the airfare; I'm asking about the accommodation in Turkey. Did the council pay?

KHAL ASFOUR: I will take that on notice as to what the breakdown was for that trip.

The Hon. MARK LATHAM: And tour guides and other arrangements like hospitality at Anzac Cove the council paid? Overall your expenses were mediated by the council in getting to Turkey and then you flew to Liverpool, England for a soccer match.

KHAL ASFOUR: Again, in getting to Turkey, I paid for the trip myself. I paid for getting to Turkey. I then paid to go to London from Istanbul. Not a council cent was spent on international airfare.

The Hon. MARK LATHAM: How do you think your ratepayers look at the practice of piggybacking, knowing that council is helping to fund your package in Turkey, lowering your costs so you can then afford to go to a soccer match in Liverpool? That has nothing to do with the commemoration of Anzac. I am a Liverpool EPL fan myself. I love the club, but it has nothing to do with the core purpose of your trip, has it? How do you think the ratepayers look at this practice?

KHAL ASFOUR: It was privately funded. It was a private trip. The local community and the ratepayers seem to be okay with it because I have been re-elected a number of times since then—with an increased margin, might I add, Mr Latham. So I think they are pretty happy with my performance.

The Hon. MARK LATHAM: Are they happy with the discussions you would have had prior to the Turkey trip saying, "Isn't it good that we can lower the cost of the overall trip using council funds, and then we'll arrange for a privately funded trip"—you say—"to a soccer match in Liverpool, England?"

KHAL ASFOUR: I think I have answered your question.

The Hon. MARK LATHAM: What about the return leg via Singapore? Who funded the accommodation and your expenses, restaurants, hotels, other outlays in Singapore on the way back from Liverpool?

KHAL ASFOUR: From memory we were in transit in Singapore. It may have been a night and I'd need to—I'll take the rest of the question on notice, just so I give the correct answer to the Committee.

The Hon. MARK LATHAM: In Liverpool, England, and Singapore, as part of this commemoration of Anzac, were you aware of the general manager using the council credit card to meet expenses?

KHAL ASFOUR: I'm not aware.

The Hon. MARK LATHAM: Were you aware of him using the bank account that's funded by the council under his own private arrangements?

KHAL ASFOUR: You'd need to ask him, Mr Latham.

The Hon. MARK LATHAM: No, I'm asking you as the mayor—longstanding, re-elected, blah blah—what you know about this particular matter.

KHAL ASFOUR: I'm not aware.

The Hon. MARK LATHAM: You're not aware?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Can you make some investigations about the possible use of the council credit card and the personal expense account funded by the council as part of your trip with the CEO to Liverpool and Singapore?

KHAL ASFOUR: You're asking me to investigate?

The Hon. MARK LATHAM: Yes, please—to take that on notice and have a look at the council records to make sure everything was kosher.

KHAL ASFOUR: Bearing in mind that you'll have the opportunity to ask him the same questions—but, yes.

The Hon. MARK LATHAM: Well, I'm asking you.

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: You come here big-noting yourself. You can answer questions, okay? You can't have it both ways where you hide behind a lack of detail but also tell us how wonderful you are in running the council.

KHAL ASFOUR: Let's not start talking about big-noting, Mr Latham, please.

The Hon. MARK LATHAM: Why has the council brought the recycling and rubbish collection back in house?

KHAL ASFOUR: Because it was the right thing to do.

The Hon. MARK LATHAM: Why?

KHAL ASFOUR: Because it would save money for us and the contractors that were doing the job—let me go back a step. Bankstown has been doing that in house for as long as I can remember and Canterbury's contract with the contractor was expiring. Their service level was pretty poor if you ask the ratepayers living in Canterbury. The decision was made to bring it in house.

The Hon. MARK LATHAM: What constitutes poor service? I've got a document here showing in 2017-18 the missed bin rate was 0.19 per cent. That's very low, isn't it?

KHAL ASFOUR: I don't know what document you're referring to.

The Hon. MARK LATHAM: It's a City of Canterbury Bankstown annual report that you as mayor would have signed off on in all your glory. The report at page 61 says that the missed bin rate under the previous arrangements, the contractor, was 0.19 per cent. You think that's an unsatisfactory service level?

KHAL ASFOUR: I'm happy to take that on notice, Mr Latham, because—

The Hon. MARK LATHAM: It's your annual report.

KHAL ASFOUR: Yes, it's also from six years ago. I've been the mayor and have presided over hundreds of council meetings. I don't have a photographic memory and I don't remember every single report and every single word of every single report over that time.

The Hon. MARK LATHAM: I suppose the international travel does that to you, but can I just ask: What would you regard as an unacceptable missed bin rate that required changing these service arrangements?

KHAL ASFOUR: I would certainly look at the correspondence and contacts I've had from ratepayers and the calls complaining about the missed bins. You're quoting from, I think, 2017-18. Again, I haven't had a look at the document recently, but certainly the contract was due to end and going in house was, I think, the best option for the ratepayers.

The Hon. MARK LATHAM: When did you make that decision?

KHAL ASFOUR: When the report was presented to the council. After reading the report and understanding the context—

The Hon. MARK LATHAM: What time period are we talking about?

KHAL ASFOUR: I'll take that on notice because the contract with the contractor was extended for a period of time to allow council to get itself in order in making sure that we were able to carry out that service. It's a very important service. I'm very proud now that we are bringing in our waste in house. Because the service on the ground is a lot better.

The Hon. MARK LATHAM: What's your missed bin rate now?

KHAL ASFOUR: I'll take that on notice. I don't have the number at hand.

The Hon. MARK LATHAM: But you just said the service is better now. Missed bin is the key measure of a—

KHAL ASFOUR: Because, Mr Latham, the feedback has certainly improved in that I'm not getting as many complaints about missed bins as I used to.

The Hon. MARK LATHAM: How do you think you calculate your missed bin rate? It's only off the basis of complaints when people ring up and say, "Hey, they haven't emptied my bin." It's obviously recorded by the council. You've reported it in the annual report. You're saying the service is better now. I'm asking you: What's the improvement in the bin rate?

KHAL ASFOUR: Mr Latham, that's not how we do it. We have the technology now available where we know which bins we missed before the resident does. It's new technology that we've adopted to make sure that we're offering the best waste service to our community as possible.

The Hon. MARK LATHAM: You're changing your story now. You were talking about complaints from residents.

KHAL ASFOUR: About missed bins.

The Hon. MARK LATHAM: Yes, as your key indicator.

KHAL ASFOUR: No, I'm saying that is one of the indicators.

The CHAIR: So you said you registered for an ABN. So you've got an ABN?

KHAL ASFOUR: Yes, in my name.

The CHAIR: And you're registered for GST?

KHAL ASFOUR: Yes.

The CHAIR: Have you done a business activity statement, or a BAS, for the financial year?

KHAL ASFOUR: The last financial year?

The CHAIR: Yes.

KHAL ASFOUR: Yes.

The CHAIR: Do you know what the income was?

KHAL ASFOUR: Zero.

The Hon. JOHN GRAHAM: In relation to the MBA payments, you've detailed the process that was followed—a discussion with the CEO on a file note and the CEO's agreement. Was there ever an occasion where you were told that this was not in policy and yet you pressed ahead and completed that course?

KHAL ASFOUR: No.

The Hon. JOHN GRAHAM: In relation to the trip to Turkey and then the privately funded Liverpool trip, were you ever told that this was not in accordance with the council policy?

KHAL ASFOUR: No.

The CHAIR: We'll go to the break early and come back at 11.15 a.m.

(Short adjournment)

The CHAIR: Welcome back. We will now proceed with the second session.

The Hon. CHRIS RATH: Just in regard to the Bankstown master plan that we were talking about before, you said that you declared a pecuniary interest, is that correct?

KHAL ASFOUR: Non-pecuniary interest.

The Hon. CHRIS RATH: What's the nature of that non-pecuniary interest? Why did you raise that?

KHAL ASFOUR: I've been on the board of the Bankstown RSL as a director since 2015 and the RSL is located within the master plan area.

The Hon. CHRIS RATH: Any other reasons behind that non-pecuniary interest?

KHAL ASFOUR: That was the main one. But some that may have donated to my campaign would've declared me out as well.

The Hon. CHRIS RATH: So potentially individuals or businesses who had donated to your campaign would stand to benefit from aspects of the Bankstown master plan?

KHAL ASFOUR: They may, yes. Again, I would need to know whether they were owners of the businesses. I don't know that detail but regardless the directorship of the RSL excused me and excluded me rightly so from any discussion with the Bankstown master plan.

The Hon. SCOTT FARLOW: Just to clarify, you had no involvement in the master plan at all because of those reasons?

KHAL ASFOUR: That's right.

The Hon. SCOTT FARLOW: Just returning to the overseas travel issues, you outlined before that you did visit Mexico and it was part of a private trip on that smart cities delegation. Considering it was part of the private trip, why did you put forward an expenses claim for a "Los Panchos" of 266 pesos for council?

KHAL ASFOUR: I'll take that on notice, Mr Farlow. The trip to Mexico was when we were in San Jose, I think, or San Diego. It might've been—I'd need to take that on notice. I'm not going to speculate right now.

The Hon. SCOTT FARLOW: Was that for tacos in Tijuana?

KHAL ASFOUR: Again, I'll take that on notice.

The Hon. SCOTT FARLOW: Coronas perhaps or—

The Hon. PENNY SHARPE: How much did you practise for that, Scott?

The Hon. SCOTT FARLOW: —refreshments. I think it's classified as "refreshments". Was that Coronas? Was that tacos? Tequila?

KHAL ASFOUR: I don't remember what I had for dinner last week, so I'm not going to remember what I had five years ago.

The Hon. SCOTT FARLOW: Can you perhaps provide on notice any information you do have with respect to that claim and why, if it was on a personal day, you put a council claim in for that personal portion?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: With respect to 5 November and that smart cities trip, there was a scheduled roundtable, "Developing Policy to Inform Smart Cities". It was held at the University of Texas. I believe that was in Austin; is that correct?

KHAL ASFOUR: I think you're referring to a different trip.

The Hon. SCOTT FARLOW: Sorry, apologies. So there was another trip, was there, on which you went to Texas?

KHAL ASFOUR: I'm trying-

The Hon. SCOTT FARLOW: They all merge into one, I imagine. There are so many of them.

KHAL ASFOUR: It was more that they were quite a while ago, Mr Farlow.

The Hon. SCOTT FARLOW: Seeing you've got some recollection of that roundtable, did that take place? Did you attend "Developing Policy to Inform Smart Cities"?

KHAL ASFOUR: I'll take that on notice.

The Hon. SCOTT FARLOW: You don't have any recollections about what you learned about developing policy or smart city initiatives that have come out of your involvement or non-involvement in that roundtable?

KHAL ASFOUR: Again, I want to clarify which trip—

The Hon. SCOTT FARLOW: There are so many.

KHAL ASFOUR: —which trip, which obviously meets council's expenses and facilities policy that you're referring to. I'm more than happy to take that on notice.

The Hon. SCOTT FARLOW: On the 2017 trip to San Diego, unless there was another one to San Diego, Saturday 4 November was the delegates' scheduled self-tour day. Do you remember what happened on the self-tour day?

KHAL ASFOUR: I don't recall, no.

The Hon. SCOTT FARLOW: Was that the trip to Tijuana, perhaps?

KHAL ASFOUR: I'll take that on notice. I can't remember what I can't remember.

The Hon. SCOTT FARLOW: The tour of North America cost ratepayers in Canterbury Bankstown tens of thousands of dollars. What sort of report did you provide for that trip?

KHAL ASFOUR: I provided a report after that trip to what I took from the trip.

The Hon. SCOTT FARLOW: Was that the mayoral minutes that were provided? Was that report provided in that way?

KHAL ASFOUR: I don't believe they were in the mayoral minutes. They may have been; again, I'm more than happy to check.

The Hon. SCOTT FARLOW: I have a copy of a mayoral minute of 24 April 2018 entitled *Creating a Smart City for the Future*.

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: I would have thought that that may have been the report from the trip. Would that be the case?

KHAL ASFOUR: No, I don't believe so. I think there was a separate report.

The Hon. SCOTT FARLOW: There was another minute, okay.

KHAL ASFOUR: That mayoral minute—

The Hon. SCOTT FARLOW: I think in that mayoral minute you outlined the secrets of success for a smart city.

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: What do you think are the secrets of success for a smart city?

KHAL ASFOUR: To make sure that community is being able to come along with you for the journey; to ensure that, as a council, you are using technology to better the city; for a council to be able to run its operations in a more effective and efficient manner; to make sure there's digital equity; to ensure that you aren't left behind as a city. That's some of the things. We were also adopting a smart cities road map, and it was important that we got that right, moving forward, in the smart cities space.

The Hon. SCOTT FARLOW: What are some of the smart cities initiatives that Canterbury Bankstown council has developed?

KHAL ASFOUR: The first is using artificial intelligence on our waste trucks, having data to ensure that we know when bins are missed before the resident wakes up and finds out and is able to go in there. The data is live. We were also able to secure a million-dollar grant from the Federal Government which, if we hadn't gone on that trip—I don't think we would have even applied for it, let alone been awarded that million dollars, which I think is important. Our Closing the Loop program, which is part of the AI technology, using and having open data—they're just some of the themes, I think, of smart cities. Learning those things from the cities around the world that are doing it best was certainly helpful.

The Hon. SCOTT FARLOW: Mr Asfour, with respect to 2017, were there any other overseas trips you went on that year apart from that one to the US and Mexico?

KHAL ASFOUR: In my private capacity, or in my—

The Hon. SCOTT FARLOW: Well, it seems like the council and the private sort of merge in some cases.

KHAL ASFOUR: I'll take that on notice.

The Hon. SCOTT FARLOW: I turn now to the National General Assembly of Local Government in Canberra, which was held from 17 June to 20 June 2018. These are common trips that councils will take, no doubt.

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: How did you get to Canberra on that trip? Do you remember?

KHAL ASFOUR: I'll take that on notice.

The Hon. SCOTT FARLOW: Did you attend all the scheduled activities within that conference?

KHAL ASFOUR: I believe so.

The Hon. SCOTT FARLOW: And you stayed for the whole scheduled conference?

KHAL ASFOUR: I may have left early; I'm not sure. It depends on my commitments, Mr Farlow.

The Hon. SCOTT FARLOW: Mr Asfour, was any of the alcohol you were drinking during that conference billed back to ratepayers at all?

KHAL ASFOUR: I'll take that on notice, Mr Farlow.

The Hon. SCOTT FARLOW: Do you remember where you stayed for that conference?

KHAL ASFOUR: No, I'll take it on notice. I've stayed in-

The Hon. SCOTT FARLOW: Could it have been the Hyatt, perhaps, in Canberra?

KHAL ASFOUR: It could have been the Hyatt; it could have been the Novotel.

The Hon. SCOTT FARLOW: Do you often stay at the Hyatt?

KHAL ASFOUR: I stay wherever the staff book for certain conferences.

The Hon. SCOTT FARLOW: Are you a member of the Hyatt rewards program at all?

KHAL ASFOUR: The Hyatt rewards program—I may have been; I'm not sure.

The Hon. SCOTT FARLOW: If you were a member, would you have put that down to accrue membership benefits at the hotel?

KHAL ASFOUR: No, you need to pay for it through the Hyatt website to accrue, and I think most of those rewards programs do it that way. It may have afforded me a free newspaper or the like.

The Hon. SCOTT FARLOW: I'll skip back down to 2017. This is the *A Current Affair* video that has been shown several times showing you intoxicated on two separate council trips there.

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: It's a video of you in a Melbourne hotel room, and I think Mr Latham was asking some questions about that before. Were they staff members who were with you at the time in that hotel room?

KHAL ASFOUR: I'm not sure it was in Melbourne. It may have been, but I'm not sure it was in Melbourne. Yes, the video that I think you're talking about did have staff members in it. Yes.

The Hon. SCOTT FARLOW: Who were those staff members?,

KHAL ASFOUR: As in—

The Hon. SCOTT FARLOW: Who were they from council? What positions? You don't necessarily need to say their names.

KHAL ASFOUR: Directors of council.

The Hon. SCOTT FARLOW: The CEO?

KHAL ASFOUR: I haven't watched the video for a while but, yes, the CEO may have been there. Yes.

The Hon. SCOTT FARLOW: Do you know who filmed the video?

KHAL ASFOUR: Who filmed the video, I'm not sure, no. I can't recall who filmed the video.

The Hon. SCOTT FARLOW: How do you think that video ended up in the media?

KHAL ASFOUR: I can only guess, Mr Farlow, and I don't want to guess here today.

The Hon. SCOTT FARLOW: Was any investigation conducted by the council into that video, the leaking of that video or the circumstances around it?

KHAL ASFOUR: I'm not aware of it. There may have been, but I'm not aware.

The Hon. SCOTT FARLOW: Was any of the alcohol you were drinking in those videos billed to the ratepayers of Canterbury Bankstown?

KHAL ASFOUR: Not that I'm aware of, no.

The Hon. SCOTT FARLOW: Have you ever billed the cost of alcohol to ratepayers at all?

KHAL ASFOUR: I'll take that on notice. Again, I've been on council for 17 years.

The Hon. SCOTT FARLOW: The Canterbury Bankstown council annual report of 2019 refers to seven councillors including you attending the 28 October Local Government NSW Albury conference, at a total cost to the council of \$21,795. That equates to \$3,113 per councillor if they were all to have claimed an equal amount. How did everyone get to the conference? Did they fly or drive? Do you remember?

KHAL ASFOUR: I don't remember how everyone got there. I'm pretty sure that I flew to Albury, but I'd need to double-check that.

The Hon. SCOTT FARLOW: On a commercial flight, or was there a charter jet?

KHAL ASFOUR: No, it was a commercial flight. There's never been an instance of a charter jet that I'm aware of.

The Hon. SCOTT FARLOW: Do you remember where you stayed in Albury?

KHAL ASFOUR: No, not off the top of my head. It would have been a local hotel, I'd imagine.

The Hon. SCOTT FARLOW: Did you stay for the entire conference?

KHAL ASFOUR: Or thereabouts.

The Hon. SCOTT FARLOW: For a local government conference to Albury, \$3,000-odd per councillor seems like an exorbitant amount of money.

KHAL ASFOUR: Does that include the registration fees for the conference?

The Hon. SCOTT FARLOW: I'm not sure.

KHAL ASFOUR: Neither am I, Mr Farlow, so—

The Hon. SCOTT FARLOW: But I think those are covered by your policy externally, without reimbursement, if you look at your policy.

KHAL ASFOUR: Again, I don't have the numbers in front of me, Mr Farlow.

The Hon. SCOTT FARLOW: Can you take it on notice and perhaps provide some explanation?

KHAL ASFOUR: I don't have the numbers, Mr Farlow, in front of me.

The Hon. SCOTT FARLOW: I will turn to East London. This was a September 2019 trip.

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: So you toured East London, and that was approved by an ordinary meeting of council on 23 July 2019. Was any detailed budget provided at that meeting?

KHAL ASFOUR: I'll take it on notice. I don't know that.

The Hon. SCOTT FARLOW: What prompted you to undertake this trip?

KHAL ASFOUR: Discussions with the organisers of the trip who were taking a bunch of leaders, including the State Government representatives and business-minded people, to a trip of East London to look at how western Sydney and East London are very similar and how western Sydney might need to look at East London for, I guess, how successful they have been and how successful western Sydney should be. Because clearly there's a disadvantage for people living in western Sydney.

The Hon. SCOTT FARLOW: Okay. With respect to people you were talking about, the organisers, who were the organisers of the trip?

KHAL ASFOUR: The Western Sydney Leadership Dialogue.

The Hon. SCOTT FARLOW: Thank you. That report approved by council approved \$5,000 excluding GST plus flights. On 5 August 2019 you were reimbursed for \$6,469 for the Western Sydney Leadership Dialogue study tour. Did that include the flights?

KHAL ASFOUR: I'll take that on notice, Mr Farlow. I don't-

The Hon. SCOTT FARLOW: If that was the case, why did the trip costs exceed what was approved by council at \$5,000?

KHAL ASFOUR: I don't think that it did, but again I'm happy to take that on notice.

The Hon. SCOTT FARLOW: Okay. Did you think the report authorising travel met the requirements outlined in the *Councillor Expenses and Facilities Policy* at the time?

KHAL ASFOUR: I'm happy to take that on notice, but I believe so.

The Hon. SCOTT FARLOW: Was there an itinerary that was provided to council when approving that budget?

KHAL ASFOUR: I don't have the council report in front of me, Mr Farlow. Again, happy to take it on notice and provide you with a response, or the Committee with a response.

The Hon. SCOTT FARLOW: I've got to say, from looking through that report I don't see a detailed itinerary, nor do I see a detailed budget including a statement of any amounts expected to be—

The Hon. PENNY SHARPE: You know that Stuart Ayres did \$300,000 worth of travel on his entitlement?

The Hon. SCOTT FARLOW: Well, I think you have done enough committees on this.

The Hon. PENNY SHARPE: Just to be clear here.

The Hon. SCOTT FARLOW: I think we've done enough committees on this.

The Hon. PENNY SHARPE: I wonder what the benefit of that was to New South Wales.

The Hon. MARK LATHAM: It's for the backbench.

The Hon. SCOTT FARLOW: But, Mr Asfour, in terms of these, do you think they comply with the policies that were existing at the time?

The Hon. PENNY SHARPE: He's not a Minister anymore, is he.

The Hon. MARK LATHAM: No—for the backbench.

The Hon. PENNY SHARPE: The people of Penrith have got him back.

The Hon. MARK LATHAM: Temporary.

KHAL ASFOUR: I have complied with the policy at all times.

The Hon. SCOTT FARLOW: That's your response?

KHAL ASFOUR: That is my response.

The Hon. SCOTT FARLOW: Thank you. We'll come back to that in future inquiries, perhaps. Mr Asfour, at the ordinary meeting held on 26 November 2019, reference is made to a potential trip to Chicago and we were discussing this before, this trip to Chicago. Did you end up going to Chicago?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: That report said that that was at no expense to council.

KHAL ASFOUR: Absolutely.

The Hon. SCOTT FARLOW: Was that the case?

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: Did you pay for that yourself—

KHAL ASFOUR: Yes.

The Hon. SCOTT FARLOW: —or was it funded by somebody else?

KHAL ASFOUR: I paid for it myself.

The Hon. SCOTT FARLOW: Okay. Now, in that report it outlines that Chicago has grown from a small trading post into one of America's largest cities and that today it is a global city, a thriving centre of international trade and commerce. Can you share with the Committee your analysis of how Chicago has transformed from the small trading post into the global city that it is today?

KHAL ASFOUR: Clearly, if you went to Chicago 200 years ago, if you had a time machine—

The Hon. SCOTT FARLOW: Stockyards!

KHAL ASFOUR: —it would not be the smart city that it is today; with the population that it's dealing with today; with the ability to provide services for its residents at a high standard that it is today. So, yes, it certainly has transformed in 200 years, no doubt about that.

The Hon. SCOTT FARLOW: How has that history informed the City of Canterbury Bankstown?

KHAL ASFOUR: I think the trip was a private trip. While I was there in my private capacity, I undertook to meet with some government representatives. I think I've already mentioned I met with the Mayor of Chicago, which was a good meeting for me to have on behalf of the city. I met with the US consul to Chicago—I'm sorry, I keep saying that—I met with the Australian consul to Chicago as well. I met—and I'm happy to provide who I met with in my capacity as the mayor on a privately funded trip. But I met with, from memory, an executive from KPMG and others, and I'm happy to provide that to the Committee. But, again, not one cent of ratepayer money was spent on that trip.

The Hon. SCOTT FARLOW: Did any council staff accompany you on this visit at all?

KHAL ASFOUR: The CEO accompanied me and it was a privately funded trip on his behalf as well.

The Hon. SCOTT FARLOW: So the CEO-

KHAL ASFOUR: That's right, yes.

The Hon. SCOTT FARLOW: There were no expenses claimed by the CEO or yourself during that period?

KHAL ASFOUR: Certainly not from myself and I don't believe from the CEO, yes.

The Hon. SCOTT FARLOW: Mr Asfour, that's it from me.

The CHAIR: Just before we proceed, Mr Pearson has joined us online by Webex. He is on Webex, if he has any questions, but I'll go to—

The Hon. MARK LATHAM: I will defer to the Hon. Mark Pearson, though, because he hasn't had a crack yet. If he has got questions, he should go ahead of me.

The CHAIR: Mr Pearson, do you have any questions?

The Hon. SCOTT FARLOW: It doesn't sound like it.

The CHAIR: Proceed, Mr Latham.

The Hon. MARK LATHAM: Thanks, Madam Chair. Just to come back and tidy up a few matters on which we didn't get all of the detail, this trip to Liverpool to watch the EPL game, who paid for the soccer match tickets?

KHAL ASFOUR: I did—

The Hon. MARK LATHAM: Right. KHAL ASFOUR: —for my ticket.

The Hon. MARK LATHAM: Yes, for your ticket.

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: And the CEO?

KHAL ASFOUR: I believe he did privately for his ticket, too, but you should be asking him that question.

The Hon. MARK LATHAM: Okay. You each went to the trouble of buying separate tickets to sit next to each other.

KHAL ASFOUR: No. We bought tickets through—I think it was Thomas Cook Travel or one of those companies that organises tickets.

The Hon. MARK LATHAM: Right, and then each paid separately.

KHAL ASFOUR: And we all paid separately into that, yes.

The Hon. MARK LATHAM: You split the bill. There was no third party that gifted the tickets for the game?

KHAL ASFOUR: No, not at all.

The Hon. MARK LATHAM: Right. Why Liverpool?

KHAL ASFOUR: Because I'm a fan like yourself, Mr Latham. I've been a fan of Liverpool since Craig Johnston scored that goal in 1986 at the FA Cup when I was six, seven or eight years old.

The Hon. MARK LATHAM: Yes, a great product of Lake Macquarie and Newcastle.

KHAL ASFOUR: Absolutely.

The Hon. MARK LATHAM: "Skippy" Johnston.

KHAL ASFOUR: Absolutely, Mr Latham—absolutely.

The Hon. MARK LATHAM: But, you know, when you got to East London, for example, comparing it to western Sydney, which I've never really heard of before, no trips over to Liverpool for the soccer then?

KHAL ASFOUR: No.

The Hon. MARK LATHAM: Only from Turkey?

KHAL ASFOUR: Again, privately funded, but yes.

The Hon. MARK LATHAM: Bit of a long way around, isn't it?

KHAL ASFOUR: To?

The Hon. MARK LATHAM: From Turkey to Liverpool, rather than East London to, you know, when they're playing in London.

KHAL ASFOUR: It was a different time.

The Hon. CHRIS RATH: Maybe he missed Arsenal.

The Hon. MARK LATHAM: A different time?

KHAL ASFOUR: It was a different time.

The Hon. MARK LATHAM: No clock.

KHAL ASFOUR: It was a different time, yes.

The Hon. MARK LATHAM: Okay. Right. Thanks for that.

KHAL ASFOUR: It was one all as well. It was a derby.

The Hon. MARK LATHAM: Against Everton—a Merseyside derby. Right, okay.

KHAL ASFOUR: That was the point. It was one all and Gerrard scored a cracker.

The Hon. MARK LATHAM: Very good. Glad to hear it. Just coming back to the garbage service—

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: —you've had 20 months now of the in-house arrangements under the coverage of your political ally Graeme Kelly and the USU. What are the differences now in the cost of the service to the council, before and after?

KHAL ASFOUR: I'm happy to provide the Committee with a report and I'll take that on notice, Mr Latham.

The Hon. MARK LATHAM: And so too with the complaints rate, before and after?

KHAL ASFOUR: Absolutely.

The Hon. MARK LATHAM: And the missed bin rate that we spoke about earlier, the same thing?

KHAL ASFOUR: Yes. Just on that missed bin rate, half of the service, the Bankstown side, has been in-house anyway, so just to clarify that.

The Hon. MARK LATHAM: You brought in the Canterbury side?

KHAL ASFOUR: Yes.

The Hon. MARK LATHAM: Okay. I was part of a council that outsourced. It is too long ago now, nearly 40 years ago—35 years ago. How many councils are left that have got an in-house garbage service?

KHAL ASFOUR: I wouldn't say there'd be many.

The Hon. MARK LATHAM: No.

KHAL ASFOUR: But there's been a few that have contacted me and the council looking at embarking on that journey, because they're not happy with the contractors they're using.

The Hon. MARK LATHAM: Right. You've got a fleet of 50 waste collection vehicles. Where did you get those from overnight to run the service? How was it arranged to go back in-house, given the expense of the capital assets, the expertise, the staff?

KHAL ASFOUR: I think I mentioned earlier, it wasn't done overnight, and we extended the contract with the contractor, so we were able to get ready for day one when we moved in-house. So it wasn't done overnight.

The Hon. MARK LATHAM: What? You leased back your vehicles? Was that the arrangement or does the council own them?

KHAL ASFOUR: I'll take that on notice.

The Hon. MARK LATHAM: Thanks very much. How do you respond to reliable reports of people very close to your CEO that the CEO has access to your email account as mayor? Is that right?

KHAL ASFOUR: The CEO does not have access to my email account.

The Hon. MARK LATHAM: You've never known of the CEO, through the council IT system, being able to access your emails to keep an eye on what you're doing?

KHAL ASFOUR: Not that I'm aware.

The Hon. MARK LATHAM: Right. Have you got any knowledge of the CEO telling people close to him at a gathering in Bankstown that working with you is like "babysitting a grown man"?

KHAL ASFOUR: I've not heard that before.

The Hon. MARK LATHAM: You haven't? Okay. How would you respond to it, if it was true?

KHAL ASFOUR: I reject it.

The Hon. MARK LATHAM: It's not—

KHAL ASFOUR: I reject it completely.

The Hon. MARK LATHAM: Right. That concludes my questions, thank you.

KHAL ASFOUR: Thank you.

The Hon. MARK LATHAM: Do you reject that he said it, or do you reject that it's true?

KHAL ASFOUR: Both.

The Hon. MARK LATHAM: Both. Thank you.

The Hon. CHRIS RATH: Going back to the Bankstown master plan, you said regarding the non-pecuniary interest that you declared at the time that there may have been donors to your campaign who may have benefited from aspects of the master plan.

KHAL ASFOUR: Yes.

The Hon. CHRIS RATH: Who are those donors?

KHAL ASFOUR: It's all in the campaign declaration that I give to the election funding authority. It's all stated in there.

The Hon. CHRIS RATH: That will list all the donors to your campaign, but who—

The Hon. PENNY SHARPE: The New South Wales Liberal Party.

The Hon. CHRIS RATH: Yes, every party declares it.

The Hon. PENNY SHARPE: You don't declare individual donations, let's just remember that.

The CHAIR: Order!

The Hon. CHRIS RATH: On Canterbury Bankstown council, you obviously run as a group of councillors with the Labor brand.

KHAL ASFOUR: Correct.

The Hon. CHRIS RATH: We can see who are the donors to your campaign, but which donors in particular would you say you would have a non-pecuniary interest on the Bankstown master plan with?

KHAL ASFOUR: The ones that have a registered address within the scope of the area of the master plan.

The Hon. CHRIS RATH: Did any other councillors at the time declare a non-pecuniary interest?

KHAL ASFOUR: You'd have to ask them. I don't recall. It's a matter for each councillor to deal with their interests and their conflicts.

The Hon. CHRIS RATH: But the donations that you receive as part of your campaign, that is to the Labor group of councillors rather than to you as a mayoral candidate?

KHAL ASFOUR: Correct.

The Hon. CHRIS RATH: So, if you had a non-pecuniary interest, we would assume that the other Labor councillors would also have a non-pecuniary interest?

KHAL ASFOUR: The ones in my ward—and if it was significant, obviously, as well.

The Hon. CHRIS RATH: Would you be able to take that on notice in terms of if any other councillors in your ward made a non-pecuniary disclosure on that—

KHAL ASFOUR: Sure, I am happy to.

The Hon. CHRIS RATH: —and, potentially, any donors in particular who you think may have been relevant for that non-pecuniary interest?

KHAL ASFOUR: Yes, sure.

The Hon. CHRIS RATH: A final question from me: Have you ever claimed loyalty points through council as part of hotels or flights, in terms of the expenses that you charge back to council?

KHAL ASFOUR: I will take that on notice, Mr Rath.

The Hon. MARK LATHAM: I have one more question, Madam Chair, if I could, using my extensive research skills on this telephone. The ticket that you had for the football game, the Merseyside derby, was it Saturday 27 September 2014, kicking off at 12.45 p.m.? You were in stand block ME, row 33, seat 251—does that sound familiar?

KHAL ASFOUR: I will take that on notice, but it sounds about right.

The Hon. MARK LATHAM: Why does it say on the ticket that the ticket is complimentary and at no cost to you—zero pounds?

KHAL ASFOUR: I can't answer that. I don't know.

The Hon. MARK LATHAM: Can you take that on notice?

KHAL ASFOUR: I definitely paid for it, I know that.

The Hon. MARK LATHAM: I've got a copy of what I believe to be the ticket. You told this inquiry under oath that you paid for it.

KHAL ASFOUR: Yes, absolutely I did.

The Hon. MARK LATHAM: It says "complimentary, zero pounds". I've given you the details. Maybe you can jot them down and check your records. It was on 27 September 2014 at 12.45 p.m. You were in stand block ME. This is at Anfield, I'm assuming. It's not at the other one, Everton's ground.

KHAL ASFOUR: No, it's not at the blue one.

The Hon. MARK LATHAM: Row 33, seat 251—you'll see this on *Hansard*—"complimentary, zero pounds".

KHAL ASFOUR: Sure, I'm happy to do that. But I can assure you and the Committee that I paid for my ticket and I don't know why the ticket would have that.

The Hon. MARK LATHAM: If you pay for a ticket, it normally says the amount you paid on the ticket, doesn't it?

KHAL ASFOUR: It depends on how the ticket was purchased. As I said earlier, it was purchased through an agency that specialises in getting Premier League tickets and they may have done it in that way—I don't know.

The Hon. MARK LATHAM: Sure. I've got no doubt that you'll take it on notice and check the detail. It looks quite clear what's gone on. But if there's an explanation, the Committee, of course, will be very happy to hear it.

The CHAIR: No further questions?

The Hon. MARK LATHAM: I have one more on the old garbage service. I'm assuming you had extensive discussions with Graeme Kelly about the need to bring it back in-house? It was his idea to start with?

KHAL ASFOUR: No, it was council's idea.

The Hon. MARK LATHAM: But Mr Kelly put out a press release in June of last year celebrating, and you were there with him. It was a union-type initiative, wasn't it, that then helped your preselection?

KHAL ASFOUR: The "celebration", as you call it, was after the fact. It was a council decision to bring it in-house because the benefits to the council were greater than having it privatised. Yes, Graeme Kelly was happy that it was happening.

The Hon. MARK LATHAM: Can you remember when you first discussed it with Mr Kelly, the unusual idea of bringing it back in-house?

KHAL ASFOUR: I don't think it's unusual at all. I think it's something that you're going to see a lot of councils move towards because they're not happy with the contractors offering the service, number one. Number two, no, I don't remember exactly when I spoke to Mr Kelly about it. I did, obviously, discuss it and it was part of council deliberations when a significant decision like that was to be made. It wasn't my decision; it was the council's decision.

The CHAIR: No further questions?

The Hon. MARK LATHAM: No further football tickets at this stage.

The CHAIR: Mr Pearson, no questions?

The Hon. PENNY SHARPE: I am happy to let him go.

The CHAIR: The Committee has resolved that answers to questions taken on notice, of which there are many, be returned within 14 days of the provision of the transcript, which, as indicated, will be mid-January. The secretariat will contact you in relation to the questions that you have taken on notice. Thank you for your time today.

KHAL ASFOUR: Thank you, Madam Chair, and thank you to the members of the Committee.

(The witness withdrew.)

The Committee adjourned at 11:46.