



ETHICS COMMITTEE

Report No. 173

Report on a Right of Reply No. 30

Introduction and Background

1. The Legislative Assembly provides a right of reply to persons and corporations who are the subject of adverse comment in Parliament. The Ethics Committee (the committee) has responsibility for advising the Assembly regarding submissions for a right of reply.
2. The right of reply relates to statements made by members under parliamentary privilege. Persons or corporations who are named, or referred to in such a way as to be readily identified and who consider their reputation has been adversely affected, may request a right of reply.

Procedure

3. Chapter 46 of the *Standing Rules and Orders of the Legislative Assembly*, effective from 31 August 2004 (the Standing Orders), sets out the operation of the right of reply for persons and corporations and the procedure for the committee to follow when considering submissions.
4. Standing Order 282(5) provides that the committee is not to consider or judge the truth of any statements made in the House or the submission when considering a submission for a right of reply.
5. Under Standing Order 283, the committee may recommend—
 - that no further action be taken by the committee or the House in relation to the submission; or
 - that a response by the person who made the submission, in terms specified in the committee's report and agreed to by the person or corporation and the committee, be incorporated in the Record of Proceedings or published in some other manner.

Referral

6. The CEO of Ipswich City Council (the Council), Mr Jim Lindsay, wrote on behalf of the Council to Speaker Wellington on 5 July 2017 seeking a citizen's right of reply to statements made in the following documents tabled by Mr Rob Pyne MP, Member for Cairns (the Member for Cairns) on 14 and 16 June 2017:
 - Ipswich Inc (tabled 14 June 2017)

- Ipswich City Council marked 'Tabled with permission Ipswich Ratepayers and Residents Association' (tabled 16 June 2017)
 - Brookwater Resort Investments Pty Ltd (tabled 16 June 2017); and
 - an untitled document concerning koala habitat and a charity registered to the council (tabled 16 June 2017).
7. The Council also requested that the response be tabled and cross-referenced 'to each and every one of the tabled documents under this reply'.
 8. On 10 July 2017, Speaker Wellington referred the Council's request for a citizen's right of reply, on behalf of the Council, to the committee for consideration.

Committee's consideration of the meaning of 'corporation'

9. In the Ethics Committee's Report No. 158 (Report on a Right of Reply No. 28), the committee found that a Regional Council fits within the meaning of corporation under Standing Order 279 in accordance with definitions provided by the *Local Government Act 2009* and the *Acts Interpretation Act 1954*.
10. In keeping with this precedent, the committee considered that a City Council also fits within the meaning of corporation under Standing Order 279, and that Ipswich City Council is eligible to make a submission for a citizen's right of reply.

Committee's Inquiry


11. The committee met in private session to consider the submission from the Council and how to proceed with the matter, noting—
 - the Standing Orders; and
 - the practice and established procedures of Ethics Committees in respect of similar submissions in the past.
12. The committee corresponded with the Council and negotiated a response in the context of the Standing Orders. On 15 August 2017, Mr Lindsay responded by agreeing to the proposed response.
13. In accordance with Standing Order 282(5), the committee did not consider or judge the truth of any statements made in the documents tabled by the Member for Cairns, or the truth of the statements made by the Council in response.
14. The committee also considered the request that the response be tabled and cross-referenced with each of the tabled documents under this reply.
15. The committee resolved to recommend to the Legislative Assembly that the agreed response be incorporated into the Record of Proceedings.
16. The committee also resolved to recommend that the relevant entries in the Tabled Papers Database on the Parliament's website include a cross reference to the page number of the Record of Proceedings where the response is incorporated.

Recommendation 1:

The committee recommends that the response in the terms set out in this report, be incorporated in the Record of Proceedings.

Recommendation 2:

The committee recommends that the relevant entries in the Tabled Papers Database on the Parliament's website include a cross reference to the page number of the Record of Proceedings where the response is incorporated.



Mr Don Brown MP

Chair

August 2017

Membership — 55th Parliament

Mr Don Brown MP, Chair
Member for Capalaba

Mr Jeff Seeney MP, Deputy Chair
Member for Callide

Mr Craig Crawford MP
Member for Barron River

Mr Linus Power MP
Member for Logan

Ms Fiona Simpson MP
Member for Maroochydore

Mr Trevor Watts MP
Member for Toowoomba North

Secretariat

Mr Michael Ries, *Committee Secretary*
Ms Melissa Salisbury, *Assistant Committee Secretary*
Ms Andrea Musch, *Executive Secretary*

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RESPONSE BY IPSWICH CITY COUNCIL, TO STATEMENTS CONTAINED IN DOCUMENTS Tabled BY THE MEMBER FOR CAIRNS, MR ROB PYNE MP, ON 14 AND 16 JUNE 2017

On 14 June 2017, the Member for Cairns, Mr Rob Pyne MP, tabled a document titled "Ipswich Inc' which included the following statements made under the heading 'Washing Money links':

There is an unresolved controversy over the transfer of land from the Springfield Land Corp to ICC to approved sporting complex for the Brisbane Lions AFL Club that was rejected by ICC staff when lodged by Springfield Land Corp but approved within 24 hours when ICC lodged same application. A week later a \$15,000 donation went to Pisasale's campaign fund and the Springfield Land Corp saved \$15,000 in lodgement fees;

ICC entered an arrangement with the Newman LNP Govt [sic] for car parking for the Springfield Rail Station in which a tender by then CEO Carl Wulff was unlawfully awarded for the road works to a company he was associated with;

Ipswich City Council owns several development companies which are developing a number of projects throughout the City including the CBD development. This is done with no transparency and it is unclear whether they are trading as insolvent as ICC has had to write off funds associated with them. The Boards of these companies are made up of Mayor Paul Pisasale, Cr Paul Tully, Cr Andrew Antenolli, CEO Jim Lindsay and the CFO. It is unknown if they take Director's fees, meeting allowances and expenses, etc but it is known that they have travelled overseas extensively under the guise of these companies travelling First class and sometimes hiring private jets; There is no public reporting on these matters;

There is a conflict of interest to be both the developer and the approving body of developments. ICC staff will not contradict their bosses in refusing a town planning application. Councillors who are also these company Directors do little to remove any conflict of interest in Council Chambers apart from acknowledging any conflict of interest. The standard response is that the decisions are made under delegation. But is delegation by the Councillors and Directors to Council officers that can be changed at any time. These practices are highly unethical to say the least.

Jim Lindsay the current CEO and Carl Wulff the previous CEO both purchased units off the plan from the same building company that won contracts with the ICC owned Ipswich City Developments. This led to Wulff resigning from Council when he rented out that unit for a friend from Melbourne whom he appointed to undertake flood recovery work. The rent was paid for by ICC and other government agencies.

It's well known that Pisasale, and other Councillors, pressure local businesses for freebies from hair cuts to meals, drinks to electrical goods, for them, and their families.

Ipswich Council has a program of funding community groups that is completely haphazard that relies not on any needs analysis or consideration of process but on Councillors patronage. Community groups are then often pressured into giving Pisasale or the Councillors time to speak to the crowd and announce their donation. The community group is then later asked to submit paperwork to lawfully receive the funds they had already been given by cheque.

Council staff are also upset that funds provided for 2011 Flood Relief for infrastructure was [sic] used on unflooded roads. These funds were redirected to fulfil promises made by Councillors at previous elections.

Council staff are also concerned that the minutes of Council meetings are deliberately misleading and difficult to find, track and understand on decisions of development applications, hence the ratepayers give up trying to find out the scope and impact on the local community like traffic increases and water runoffs.

Its [sic] widely known that if residents write disparaging or negative Letters to the Editor to the Qld Times they are phoned up and abused and/or have Councillors turn up on their doorstep very early in the morning intimidating and threatening them to cease.

It is known the considerable numbers of staff have been paid out by Council to cover up inappropriate behaviour of male Councillors to female staff, or staff raising concerns about accountability and asset management. This includes a former Chief of Staff of Pisasale who took indefinite sick leave unable to handle the stress. Council staff have had to access stress leave or have simply left.

It is known that Councillors have attended a Local Government Seminars primarily for Councils which have local aerodromes [sic]. Ipswich Councillors claimed their local aerodrome was RAAF Base Amberley even though it was Commonwealth controlled.

It is known that Cr Paul Tully's wife worked for Manos Developments whilst he was planning Chair of ICC overseeing developments of that company without a declaration of interest. Corrupt staff of ICC have washed similar dirty money by employing wives and other family members of developers and successful tenderers as that's how it's done in Ipswich;

Council staff are often disgusted by Pisasale and other Councillors general lack of regard or inappropriate use of Council processes, culture of bullying/sacking and silencing staff who raise issues.

On 16 June 2017, the Member for Cairns tabled a document 'Ipswich City Council marked 'Tabled with permission Ipswich Ratepayers and Residents Association'' which included the following statements:

We would like to draw the attention of the State government to the untenable situation in Ipswich City Council caused by lack of transparency or accountability and excessive grey corruption. There has been a long term culture within the Council of entering into questionable relationships with developers (and others) which has cost the community and the environment dearly.

In some cases the Council have issued small fines but more often than not, ICC give retrospective approval for whatever non-compliance Cleanaway have committed.

ICC have a habit of repeatedly turning a blind eye to cases of non-compliance of license and permit conditions by Cleanaway.

It is also frustrating when the Mayor and Councillors make false statements in the local media claiming that Koala numbers are increasing in Ipswich.

Over the past 12 months, the Ipswich Ratepayers and Residents Association Inc, have tried unsuccessfully on numerous occasions to get answers to various questions from all 10 Ipswich Councillors. On every occasion IRRA Inc sends a request to each Councillor which is followed by a reply that they do not respond to our questions and that our question has been referred to ICC CEO, Jim Lindsay. The questions asked have included what the costs were for each Councillor Divisional office, how much each Councillor spends on advertising themselves and their office and how much each Councillor gives in grants and donations to community organisations.

IRRA Inc members have received less than satisfactory answers from Mr Lindsay. In fact it could be said that he appears to do his best to deflect any scrutiny of the Council and Councillors.

There are so many other problematic and questionable issues related to Ipswich City Council including a lack of accountability of ICC's tree offset program, the Cherish the Environment Foundation, lack of any climate change policy, as well as perceived conflict of interest with Councillors on the boards of the Ipswich City Properties and Ipswich City Developments companies.

Also on 16 June 2017, the Member for Cairns tabled an untitled document which contained the following statements:

At last report there was \$2,238,000 sitting in the account which is in the name of a Charity registered to the Council.

Last year Ratepayers put in \$79,000 (ICC budget) or the Rates paid by about 10 householders into this "Charity"

The Charity appears to be hidden away from the Auditor General and has not been Audited by Auditor general. In Fact [sic] when a constituent contacted the Auditor General they did not know of its existence.

The constituent went to the Office of the Charity and the sign is on the door, but the office is unattended. Council staff in the area did not know of it and have never seen anyone in the office.

When the constituent called the number of the charity it went to the ICC switch, they did not know of the charity.

One of the Councillors is a board member of the charity.

Other members include a Developer finance company owner.

This Charity has all their meetings "via EMAIL" No minutes of the meetings are published to the public.

The Charity changed its constitution to include developers as members.

The Charity is not registered on any of the environment charity registers in Qld or Australia.

It is a registered charity for Koalas, but it is not registered on any government charity registrar.

The Money going into this charity is by regulation required to be put in a Local government Trust account.

The Charity has no employees and no staff, but spent \$90,000.

CITIZEN'S RIGHT OF REPLY

The Ipswich City Council (the Council) rejects all aspersions or imputations that it has in any way acted illegally or improperly in respect of the allegations which give rise to false imputations which amount to allegations of systemic and gross maladministration.

The Council wishes to assure the House that at all times in the course of its business it has acted lawfully and in good faith and the majority of the matters raised have either been investigated by Council, or via external agency for investigation and assessment.

Complaint handling

The Council has a comprehensive complaint handling policy in place titled "Complaints Management Process Procedure" which is publicly available online via the Council's website. This policy sets out not only the handling of grievances and resolution through to the processes of managing and handling complaints from the lowest level but to the most serious. It provides follow

up procedures and mechanisms in accord with recognised international standards on complaint management.

In essence, the Council handles all complaints in accordance with applicable laws, based on the substance or gravity of the conduct alleged in the complaint, the evidence (if any) proffered in its support, and any need for external referral in any circumstance.

Independent scrutiny

Additionally any complainant may take their complaint about the Council or its staff and/or Councillors, directly to a number of properly constituted independent bodies such as the Queensland Crime and Corruption Commission, the Ombudsman, the Local Government Remuneration and Disciplinary Tribunal or the Queensland Police Service. The Council has a practice of total co-operation (in accord with the law) toward all independent investigative bodies at all times when any complaint may be subject of assessment or investigation.

The Council will as a matter of policy, refer any substantive complaint to the appropriate investigative body as required by law upon its receipt. As an adjunct, the Council will also refer any complainant to the appropriate body to receive complaints as the circumstances dictate. In matters where any complaint is received by the Council either about its own conduct or that of its Staff or Councillor/s which may be investigated by the Council, the complainant will be provided with a written acknowledgment of complaint and will be advised in writing of the outcome of any investigation or action. Further should there be any additional avenue upon which a complainant may pursue their complaint, the Council will advise the complainant in writing of such right.

Codes of Conduct

The Council has promulgated a Code of Conduct for employees publicly on its website. It is specifically stated:

The Code of Conduct for Employees seeks to set standards which the public has a right to expect are the minimum standards which should apply to all employees of Council.

Accordingly, Council recognises that not only must the actions of employees be above reproach, they must also be seen to be above reproach. Such a situation leads to public confidence in the system of local government.

Councillors are bound to ethical behaviour and decision making pursuant to the provisions of the *Local Government Act 2009* and the independent complaint handling, investigation, review and determination mechanism by the Local Government Remuneration and Disciplinary Tribunal, as established under Division 6 of that Act. The Council ensures periodically, and particularly following any election for Councillors, that all incoming Councillors are made familiar with the applicable codes of legal and ethical behaviour as required in office.

STANDING RULES AND ORDERS OF THE LEGISLATIVE ASSEMBLY: EFFECTIVE FROM 31 AUGUST 2004

EXTRACT: CHAPTER 46: CITIZEN'S RIGHT OF REPLY

279. Reference to a person includes a corporation

- (1) In this chapter a reference to a person includes a corporation.
- (2) A corporation making a submission under this chapter is required to make it under their common seal (if it has a common seal).

280. Affected person may make a submission

- (1) A person who has been referred to in the Legislative Assembly or a committee by name, or in such a way as to be readily identified may make a submission to the Speaker:
 - (a) claiming that the person has been adversely affected in reputation or in respect of dealings or associations with others, or injured in occupation, trade, office or financial credit, or that the person's privacy has been unreasonably invaded, by reason of that reference to the person or corporation; and
 - (b) requesting that the person be able to incorporate an appropriate response in Hansard or the relevant committee report.
- (2) The Speaker may refer the submission to the ethics committee if the Speaker is satisfied:
 - (a) that the subject of the submission is not so obviously trivial or the submission so frivolous, vexatious or offensive in character as to make it inappropriate that it be considered by the ethics committee; and
 - (b) that it is practicable for the ethics committee to consider the submission under this chapter.
- (3) A person shall ensure a submission is received by the Speaker within the term of the Parliament in which the person has been adversely referred.

281. Submissions

- (1) A submission under this chapter shall be succinct and strictly relevant to the questions in issue and shall not contain anything offensive in character.
- (2) A submission under this chapter shall not contain any matter the publication of which would have the effect of:
 - (a) unreasonably adversely affecting or injuring a person or corporation, or unreasonably invading a person's privacy, in the manner referred to in SO 280(1); or
 - (b) unreasonably adding to or aggravating any such adverse effect, injury or invasion of privacy suffered by a person.

282. Action by the ethics committee

- (1) The ethics committee may decide not to consider a submission referred to it under this chapter if the committee considers that the subject of the submission is not sufficiently serious or the submission is frivolous, vexatious or offensive in character, and such a decision shall be reported to the House.

- (2) If the ethics committee decides to consider a submission under this chapter, the ethics committee may confer with the person who made the submission and any member who referred in the House to that person or corporation or where the submission relates to another committee's proceeding, the relevant committee.
- (3) In considering the submission under this chapter, the ethics committee shall deliberate in a private meeting.
- (4) The ethics committee shall not publish a submission referred to it under this chapter or its proceedings in relation to such a submission, but may present minutes of its proceedings and all or part of such submission to the House.
- (5) In considering a submission under this chapter and reporting to the House the ethics committee shall not consider or judge the truth of any statements made in the House or the submission.
- (6) If a person making a submission does not respond to a communication from the committee within three months, the committee may consider the matter to be closed.
- (7) Public servants seeking a right of reply must do so as private citizens.
- (8) Persons making their submission through a representative must personally sign the response.

283. Recommendation and report by the ethics committee

In its report to the House on a submission under this chapter, the ethics committee may make either of the following recommendations and no other recommendations:

- (a) that no further action be taken by the ethics committee or the House in relation to the submission;
or
- (b) that a response by the person who made the submission, in terms specified in the report and agreed to by the person or corporation and the ethics committee, be incorporated in Hansard.

EXTRACT OF MINUTES
IPSWICH CITY COUNCIL REQUEST FOR A
CITIZEN'S RIGHT OF REPLY



Objective ID: A204666

Ethics Committee

Meeting No. 16

Thursday, 10 August 2017, 1:00 PM

Committee Room 1, Parliamentary Annexe

Present

Mr Don Brown MP
Mr Craig Crawford MP
Mr Linus Power MP
Mr Jeff Seeney MP
Ms Fiona Simpson MP (arrived 1:03 PM)
Mr Trevor Watts MP (arrived 1.05 PM)

Apologies Nil

In attendance

Mr Michael Ries, Committee Secretary
Ms Melissa Salisbury, Assistant Committee Secretary

1. Welcome and apologies

The meeting commenced at 1:00 PM, there were no apologies.

2. Citizen's Right of Replies

2.1 Briefing Paper No. 75

Resolved

That the committee:

- a) agree that the Ipswich City Council fits within the meaning of corporation under Standing Order 279 in accordance with the committee's finding in Report No. 158 (Report on a Right of Reply 28);
- b) consider the submission from Ipswich City Council in relation to Standing Order 280, citizen's right of reply;
- c) endorse the Chair send the attached letter to the Council setting out the criteria for a citizen's right of reply and suggesting the enclosed wording of a response to be incorporated into the Record of Proceedings (Attachment E); and
- d) in the interim, consider whether it should recommend that the page number of the Record of Proceedings where the response is incorporated be inserted in the tabled papers database with reference to the tabled papers on the Parliament's website.

Moved: Mr Watts

Seconded: Mr Crawford

Close The meeting closed at 1:17PM

Certified correct on the 24th day of August 2017

A handwritten signature in black ink, appearing to read 'Don Brown', with a long horizontal flourish extending to the right.

Don Brown MP

Chair

EXTRACT OF MINUTES
IPSWICH CITY COUNCIL REQUEST FOR A
CITIZEN'S RIGHT OF REPLY



Objective ID: A204673

Ethics Committee

Meeting No. 17

Thursday, 24 August 2017, 1:05 PM

Committee Room 1, Parliamentary Annexe

Present
Mr Don Brown MP
Mr Craig Crawford MP
Mr Jim Madden (substitute for Mr Linus Power MP)
Mr Jeff Seeney MP
Mr Trevor Watts MP

Apologies
Ms Fiona Simpson MP

In attendance
Mr Michael Ries, Committee Secretary
Ms Melissa Salisbury, Assistant Committee Secretary

1. Welcome and apologies

The meeting commenced at 1:05 PM. The Chair advised Ms Fiona Simpson was an apology for the meeting.

2. Citizen's Right of Reply

2.1 Briefing Paper No. 78

Resolved

That the committee:

- a) adopt draft Report No. 173: Report on a Right of Reply No. 30, and
- b) endorse the Chair table the report on Thursday 24 August 2017 (NB if tabled on that date, in accordance with Sessional Order 2B it will need to be considered by the House on the next sitting day, 5 September 2017).

Moved: Mr Seeney

Seconded: Mr Madden

Close The meeting closed at 1:45PM

Certified correct on the 7th day of September 2017



Don Brown MP

Chair