

## Turnbull MP in new donations scandal as special corruption team investigates

- Adam Gartrell, Amy Remeikis

A special anti-corruption taskforce has been assigned to investigate claims of dodgy political donations that have embroiled Turnbull government MP Stuart Robert and a Liberal fundraising body he controls.

The investigation comes amid new questions about Mr Robert's connections to property developer Sunland and his support for the company's controversial \$600 million plan for two high-rise towers on the Gold Coast.



Questions over donations: Turnbull MP Stuart Robert in the House of Representatives. *Photo: Stefan Postles*

Mr Robert has admitted his Fadden Forum – a fundraising arm of the Queensland Liberal National Party – was used to secretly bankroll two candidates with \$60,000 to run in the March Gold Coast City Council election.

Kristyn Boulton and Felicity Stevenson, who were given \$30,000 each, were both members of Mr Robert's staff but ran as independents and did not disclose their Liberal links until after the

poll. Ms Boulton was successfully elected while Ms Stevenson failed and returned to Mr Robert's employ.



High-profile donor: Lobbyist Simone Holzapfel. *Photo: Supplied*

Political rivals have accused Mr Robert and the LNP of seeking to stack the council by stealth with pro-development councillors.

The Queensland Crime and Corruption Commission this month launched an investigation into the election and has assigned a "specialist team" with political expertise to spearhead the investigation.

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It's understood the investigation will seek to examine the provenance of money donated to the Fadden Forum, including suggestions it came from property developers whose involvement was concealed.

One high-profile donor to the Fadden Forum has been Gold Coast developer lobbyist Simone Holzapfel, a former adviser to Tony Abbott, who gave more than \$100,000 to the fundraising vehicle.



Illustration: Matt Golding

In a Senate estimates hearing in May, Labor senator Jenny McAllister raised the issue of Ms Holzapfel's donations with electoral commissioner Tom Rogers. She raised concerns about whether the donations genuinely originated with Ms Holzapfel and asked if the Australian Electoral Commission would consider if there had been a "deliberate attempt to conceal the nature of the donor".

Ms Holzapfel insists the money came from her own pocket, angrily rejecting suggestions she merely channelled money that really came from her developer clients, which include Sunland.

Contacted by Fairfax Media, Mr Robert refused to comment on the claims: "I don't speak about donations. Political parties talk about donations, individuals don't."

But Mr Robert – who was sacked from Prime Minister Malcolm Turnbull's frontbench in February over a scandal involving a major Liberal donor – maintains he has done nothing wrong and says claims to the contrary are "rubbish".

That's despite top LNP officials publicly calling the Fadden Forum candidate donations "inappropriate". Mr Robert declined to say if he had been contacted or interviewed by the CCC.

Ms Holzapfel did not respond to Fairfax Media's request for an interview but recently told the *Gold Coast Bulletin* she is a regular LNP donor.

"My question is: What's wrong with that? I'm entitled under the law to donate to the Liberal Party and any party of my choosing," she told the paper. "This demonising of people who donate to the Liberal Party is unfair."

Sunland – which is fighting for Gold Coast City Council approval for a 44-storey development in an area with a three-storey limit – is one of many developer clients Ms Holzapfel's SHAC Communications has represented.

Mr Robert, who has long-standing links to Sunland, has lobbied the council to approve the development even though it is outside his electorate.

"It's a good development," he told Fairfax Media. "I think all developments in the Gold Coast should go ahead. This whole city has been built on development."

Mr Robert attended Sunland's proposal launch in September last year and subsequently wrote the council a glowing letter of support.

He insists that is the only lobbying he has done.

However, Fairfax Media can reveal that, during a council meeting held to discuss the Sunland issue on September 13, Mr Robert sent text messages to councillor Cameron Caldwell, a strong proponent of the plan.

Mr Robert helped get Cr Caldwell elected in 2012. Cr Caldwell, who is now chair of the city's planning committee, supports the Sunland plan. However, the council's own city planners have recommended the proposal be rejected.

Mr Robert admitted sending Mr Caldwell a "five word" text during the council meeting but declined to say what it was about.

Fairfax Media does not suggest that Mr Robert, Ms Holzapfel or Cr Caldwell have broken any laws.

Mr Robert was accused in 2012 of pressuring other candidates into preferencing Cr Caldwell in his initial council election bid. He denied the claims.

Cr Caldwell was formerly an LNP state candidate but was sacked after revelations he visited a swingers' club dressed as a pirate.

Cr Caldwell did not respond to requests for comment.

There is strong opposition from local residents to the Sunland plan. Mr Robert's Liberal colleague Steve Ciobo, the federal Trade Minister who also represents the Gold Coast, is understood to support the retention of the three-storey limit.

The notion the council could be stacked by stealth is not without precedent.

In 2006, the Queensland CCC – then known as the Crime and Misconduct Commission – found "secrecy, deceit and misinformation" had corrupted the 2004 Gold Coast City Council election.

It found that candidates who presented as totally independent were actually secretly funded by sitting party-aligned councillors who were pro-development. Sunland was among the companies that provided money.

The CMC report found Sunland paid \$10,000 into a trust account that would be channelled to "candidates whom Sunland would be happy to support".

Those findings ultimately led to new disclosure rules, which require candidates to declare if they are affiliated or part of a grouping or bloc before the election, which Ms Boulton and Ms Stevenson are now accused of breaching.

Ms Stevenson declined to comment when approached by Fairfax Media. Comment was sought from Ms Boulton.

This is not the first time Mr Robert's connections to Sunland have come under scrutiny.

He has been accused of overstepping his role as an MP when he intervened in a dispute between Sunland and Australian man Marcus Lee, who spent five years trapped in a legal nightmare in the Middle East.

Mr Lee was arrested on fraud charges in Dubai in 2009 after a land deal between his company Nakheel and Sunland went bad. He spent years in jail and under house arrest before being acquitted in 2013.

Mr Robert became involved in the saga when he made two speeches in Parliament defending Sunland.

Speaking under parliamentary privilege, Mr Robert was critical of Mr Lee while lauding Sunland as a "solid Australian corporate citizen" and its directors as "fine, upstanding men" and "pillars of the community".

The speeches sent shockwaves through Mr Lee's camp, which felt Mr Robert had damaged his chances of freedom. Mr Lee is now suing Sunland and its directors for more than \$10 million for loss of income, distress and legal costs.

Ms Holzapfel has also represented Nimrod Resources, the mining company led by big Liberal donor Paul Marks that was at the centre of the controversy that led to Mr Robert being sacked from the frontbench. Mr Robert was accused of using his ministerial office to open doors for Mr Marks during a trip to China in 2014.

Labor has signalled it will pursue Mr Robert over the new scandal.

"If he is found to have engaged in corrupt conduct he ought to be expelled from the Liberal Party," shadow attorney-general Mark Dreyfus told Fairfax Media. "Anything less will prove that Malcolm Turnbull is an even weaker leader than we thought."

The scandals have bred resentment of Mr Robert in the Coalition party room and Liberals are furious he is making their fundraising efforts more difficult.

The Queensland LNP considered dis-endorsing Mr Robert ahead of the July 2 federal election but ultimately decided to back him. Mr Robert is the number one fundraiser for the LNP in the Sunshine State.

A Queensland LNP source said Mr Robert's strong branch support made him hard to move, whatever claims emerged.

"Stuart is very well liked and very popular, there are not a lot of people worried. He has no worries in terms of the branch. It would take a lot to shift him."

Mr Robert also used the Fadden Forum to channel \$10,000 to his friend John Brent to help him run for re-election as mayor in nearby Scenic Rim. Mr Brent, who is also firmly pro-development, lost the race but later told *The Australian* he had assumed the money had ultimately come from business people who support candidates that are "pro-business".

Official disclosure returns show Sunland boss Soheil Abedian has donated to both the Liberal and Labor parties over recent years.

The council's decision on Sunland's development application has been delayed, prompting a warning from Sunland it may take the matter to court. Mr Abedian says knocking back the development, designed by world-renowned architect Zaha Hadid, would be like refusing to build the Sydney Opera House.