

DAY 11

YESTERDAY ICAC

■ Two councillors changed their evidence about meeting with developer Frank Vellar, when it is alleged they tried to solicit a \$20,000 bribe from him.

■ Former Wollongong council officer Joe Scimone said developer Glen Tabak gave him an expensive watch while he was assessing his development, because they were friends.

## AT THE HEARING

- Frank Vellar
- Frank Gigliotti
- Zeki Esen
- Kiril Jonovski
- Joe Scimone

## APPEARING TODAY

- Gerry Carroll (pictured)



## WANT MORE

Read the entire ICAC transcripts.

■ Go to <http://www.icac.nsw.gov.au>

■ Click on "Transcripts" on the right side of the web page and follow the links.

## BREAKING NEWS

■ [illawarramercury.com.au](http://illawarramercury.com.au)

■ The Mercury's team of reporters and photographers is in Sydney for the hearings and will provide readers with detailed coverage.

## LETTERS TO EDITOR

"Aunty Jack ... Wollongong the Brave needs you, kick start the old bike, journey down the mountain one last time. We have some arms needing to be ripped off."

- Page 17

## ONLINE POLL

Do you think Wollongong City Council should be sacked?

**YES: 87.2%**

**NO: 12.8%**

Number of votes: 359

New question: Do you support the recommendation to sack Wollongong City Council?

## HAVE YOUR SAY

Letters to the editor:  
Mail PO Box 1215  
Wollongong 2500  
Fax: 02 4221 2338  
[letters@illawarramercury.com.au](mailto:letters@illawarramercury.com.au)

# Corruption is

## All 13 city councillors 'should go'

By PAUL McINERNEY

THE conduct of four Wollongong councillors pointed to the existence of systemic corruption within the council, Independent Commission Against Corruption commissioner Jerrold Cripps, QC, found yesterday.

He said he had come to the conclusion that it was appropriate for him to recommend the positions of all 13 councillors be vacated.

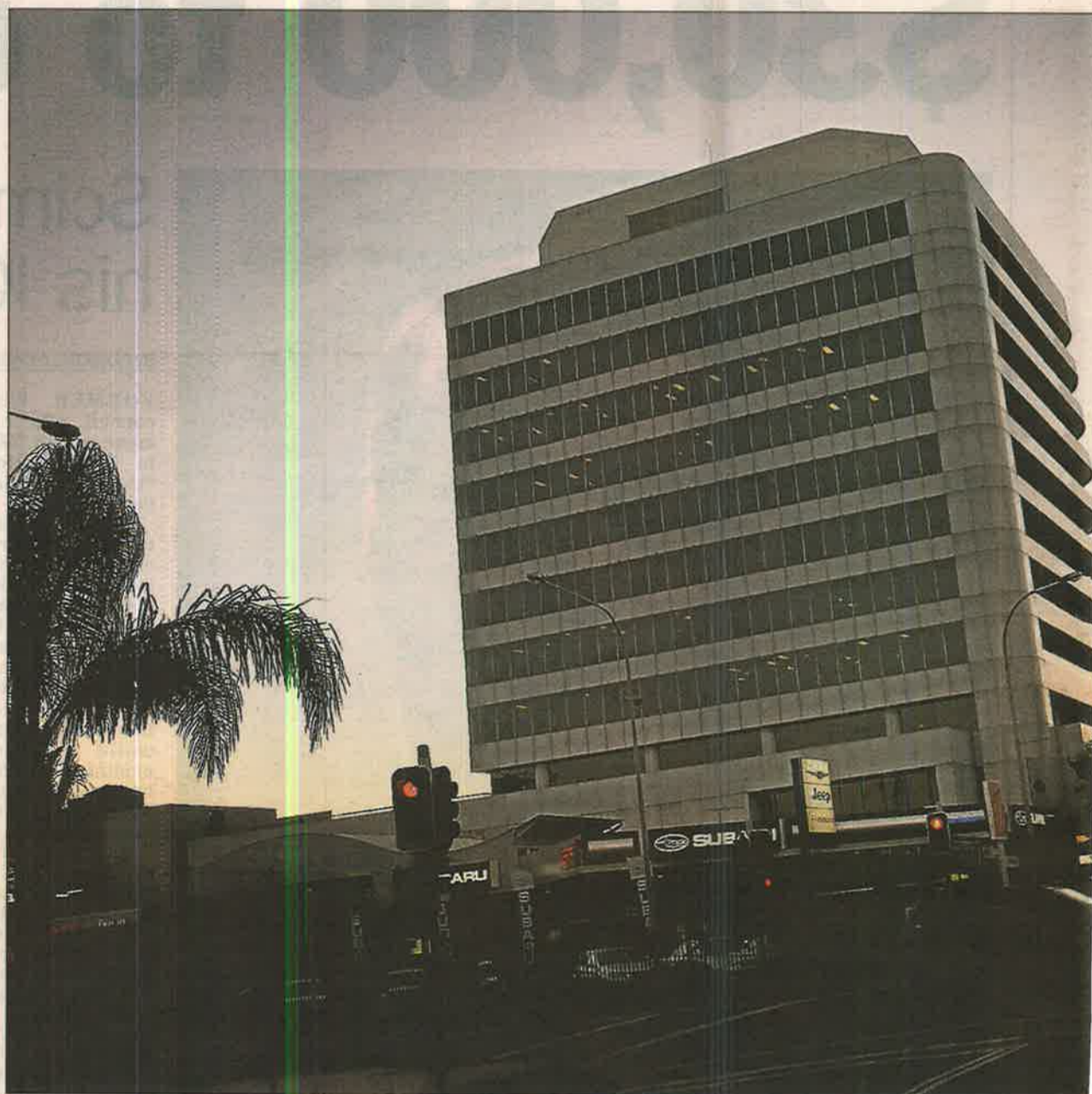
His finding about the behaviour of councillors Val Zanotto, Kiril Jonovski, Zeke Esen and Frank Gigliotti came 11 days after the start of a public inquiry that has revealed improper relationships between council planning staff and developers and more than \$500,000 in bribes, sought by two convicted criminals, intended to pervert the course of the ICAC investigation into Wollongong City Council.

Allegations have been made that Cr Zanotto had an improper business relationship with developer Frank Vellar and that he passed confidential council documents to Mr Vellar, and also paid \$120,000 to two criminals in the belief it was a bribe to corrupt ICAC officers to drop any evidence against him.

Cr Jonovski, Esen and Gigliotti have been accused by Mr Vellar of trying to extort a \$20,000 bribe or political donation from him in return for political support of his project involving the North Beach Bathers' Pavilion.

All three men have denied the claim, although Crs Jonovski and Esen yesterday recanted claims they made to the commission on Friday that they had not met Mr Vellar at the Flame Tree Cafe on October 18, 2006 (see separate story).

"I remind people here that me making this recommendation does not constitute the removal from office of these councillors. It just



simply means that it's up to, then, the Government to consider what I've done and determine whether it will make a move any further forward," Mr Cripps said.

"I have taken account of ... the conduct of four of these councillors and I have come to the conclusion that their conduct makes it clear that systemic corruption exists presently in the council.

"I have not ignored the fact that

they have stepped down. They can also step up."

Mr Cripps said the commission would be preparing a report, part one of which would deal with the activities of the four councillors.

"Because of the way we have to deal with these inquiries here if I left the making of this recommendation until the report was out it would be at least another two months before (it was made)," he said. "So I have taken a view

this is the appropriate way to deal with the matter."

Earlier, Mr Cripps said he was obliged to take into consideration a number of factors in making his decision, the first of which was that there were 13 elected councillors, seven of whom were from the Labor Party and four of whom had given evidence before the commission.

He said he would take into account that those four council-

## Caucusing might be corrupt: counsel

By PAUL McINERNEY

LABOR caucus meetings before meetings of Wollongong City Council could be seen as corrupt, counsel assisting the ICAC inquiry Noel Hemmings, QC, suggested yesterday.

Mr Hemmings said the outcomes of such caucus meetings had the effect of interfering in the overall decision making processes of the council.

"Corrupt conduct is not only dishonest conduct on the part of a person, but is also conduct which is not impartial," he told the public inquiry.

"There is a misconception

with the public that corruption must always be dishonest.

"And certainly in my submission their behaviour in making decisions to determine the outcome of the debate and the resolution of council certainly affects adversely the impartial and even honest exercise of official function by the council itself.

"It has appeared from the evidence which has transpired to date in order for there to be complete control of the council, a developer only needs to obtain the support of four councillors to be in control of caucus who then con-

controls the whole council.

"For that course of conduct alone demonstrates that systemic corruption exists in the local government authority.

"When that is added to the conduct of the council in the past about the abuse of the Code of Conduct and

the regular meeting between councillors and developers to discuss future council matters in coffee shops and restaurants is also corrupt conduct.

"There is a climate of corruption within the council itself."

His comments are certain to outrage the ALP, which insists that caucus meetings prior to council meetings are to decide matters of policy and not development applications.

It will also renew debate about local government and the role of the major political parties as against independent representatives.

Mr Hemmings said that while councillors Kiril Jonovski, Val Zanotto, Zeke Esen and Frank Gigliotti had voluntarily stood aside pending a finding by the commission, they could return to their roles at any time.

He also singled out the gift of \$500 of alcohol by Cr Gigliotti to convicted criminal Ray Younan, which he said could be corruption itself.

"This evidence is sufficient for you to make a recommendation (that the council be sacked)," Mr Hemmings told ICAC Commissioner Jerrold Cripps, QC.

**SPEAK UP**

[letters@illawarra-mercury.com.au](mailto:letters@illawarra-mercury.com.au)

quote

I have taken into account the conduct of four of these 13 councillors and I have come to the conclusion ... that systemic corruption exists ...

- COMMISSIONER JERROLD CRIPPS