

POLITICS FEDERAL

Chinese donor the Yuhu Group steps in to help Sam Dastyari

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One of the largest donors to the New South Wales Labor Party, a Chinese-based property group, picked up the tab for federal Labor senator Sam Dastyari after he was sued by an advertising firm.

The dispute with Diversified Communications, an advertising, sales and marketing company, began in mid-2013 when Senator Dastyari was the general secretary of the NSW branch of the Australian Labor Party.

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A Chinese-based property group settled the legal bill for Labor Senator Sam Dastyari after he was sued by an advertising firm. DANIEL MUNOZ

In the lead up to the 2013 election, the company believed it had a verbal agreement with Mr Dastyari for a campaign in ethnic media outlets in western Sydney and had begun work on a campaign.

But when Labor switched from Julia Gillard to Kevin Rudd, the campaign was shelved – and on July 28, 2014 Diversified Communications lodged a case against the Mr Dastyari – who by then was a federal senator – to recover a sum believed to be a little over \$40,000 for preparatory work performed for the campaign for the ALP.

And a little over three months later the case was confidentially settled for a figure said to be around \$5000 – with the Yuhu Group paying the bill to settle the case for the Senator.

The payment was subsequently publicly disclosed on Senator Dastyari's register of senators' interests as "support for settlement of outstanding legal matter provided by Yuhu Group Pty Ltd" on November 20, 2014.

The revelation of the payment by the Yuhu Group comes as NSW Labor and sections of the union movement [have stepped up their campaign in the final days of the NSW election against a foreign government – such as the Chinese government-owned energy company State Grid Corp –taking a partial lease of the state's power assets.](#)

And in a speech to the Senate on Tuesday, [Senator Dastyari called on the Abbott government to disclose spy agency ASIO's view on the proposed "poles and wires" privatisation.](#)

The Shenzhen Yuhu investment development group was founded by Huang Xiangmo in China in 2001. Mr Xiangmo subsequently moved to Australia in 2011 and founded the Yuhu Group real estate company in 2012. The company manages

NSW ICAC EXHIBIT

and owns the Eastwood and Glenwood shopping centres in Sydney.

The group donated \$200,000 to the NSW branch of the ALP in 2012-13 and another \$200,000 in 2013-14 according to disclosures lodged with the Australian Electoral Commission by the ALP. Yuhu Group itself declared another \$100,000 donation to the federal ALP in 2013-14 according to the AEC. It has been similarly generous with its donations to the Liberal Party, including \$135,000 to the NSW Liberal Party in 2013-14, \$230,000 to the West Australian branch, \$50,000 to the Victorian branch and \$10,000 to the Queensland branch.

The company is also a generous philanthropically, giving \$1.8 million to the University of Technology Sydney in December 2013 for an "Australia China Relations Institute" and \$1 million to the Children's Medical Research Institute at Westmead.

Asked why the company had stepped in and settled his legal bill and who at the company he had asked for assistance, Senator Dastyari said: "Last year I was sued for an outstanding debt that was accrued during my previous role. This matter was resolved to the satisfaction of both parties".

"I sought the assistance of the Yuhu group, and this was declared on my pecuniary interest register."

A spokeswoman for Mr Xiangmo said he was unavailable for comment as he was travelling overseas.



James Massola



James Massola is south-east Asia correspondent based in Jakarta. He was previously chief political correspondent, based in Canberra. He has been a Walkley and Quills finalist on three occasions, won a Kennedy Award for outstanding foreign correspondent and is the author of The Great Cave Rescue.
