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# INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

**PUBLIC HEARING** 

**OPERATION RICCO** 

Reference: Operation E14/2586

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 3 MARCH 2016

AT 2.05PM

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This transcript has been prepared in accordance with conventions used in the Supreme Court.

03/03/2016 472T

THE COMMISSIONER: Yes, Mr Dunne, are you able to - - -

MR DUNNE: Yes, Commissioner, I'm able to continue.

THE COMMISSIONER: Right. Thank you. Come forward please, Mr Goodman. Yes.

MR DUNNE: Thank you, Commissioner. Might the witness be shown MFI-2 please.

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THE COMMISSIONER: Yes. That's the folder of material that Mr Moses took you to before, Mr Goodman.

MR DUNNE: That's right. Mr Goodman, Mr Mark Goodman, I just want to ask you to open up under tab 21 of MFI2. Now before I go specifically to tab 1, you've had an opportunity over the lunch break to read the material behind tabs 1 and 2. Is that correct?---Yes.

Have you ever seen the material – those documents before being shown them today?---No.

And you didn't prepare a statement - - -?---No.

- - - for SINC Solutions?---No.

Or sign any documents?---No.

This is the first time that you've seen these documents. Is that right?---Yes, yeah.

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Could I take you to the – sorry, page 3 of the contemporaneous notes behind tab 21, in particular point 35?---Yeah.

Where it says, and I understand that the structure of this document is simply recording responses that you gave to SINC Solutions?---Yes.

I note that there's no questions before them, they're just notes as to what you've said?---Yeah.

40 And point 35 says, "I was doing everything HR Finance"?---Yes.

Do you remember making that comment?---Vaguely, yes.

I see. If I could then take you to the following page under point 69 and that says, "I was getting a new car regularly"?---That's incorrect.

That's incorrect?---Yeah.

What should that read?---I was just about to get a new car because the car I was driving was a bomb and when this happened obviously I didn't get my car.

All right. So you would challenge that you were getting a new car regularly but perhaps insert the word soon, I was going to get a new car soon?--- Yeah, that should have been soon.

All right. If I take you down next to point 96, "Before I answer you truthfully I'll punch someone in the nose". Do you agree that you told the - -?---No.

You disagree that you said that?---Yeah, I - - -

I see?---No, I don't know about that.

And under point 89, if you just go a bit further up, it's recorded you make a comment about a movie called Willy Wonka and the Chocolate Factory? ---Yes.

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And you felt that you felt like a boy given the key to the factory?---Yes.

And you were that boy at the Business Unit?---Yes.

Is that right?---Yes.

Who has the key?---Yeah.

What did you mean by that?---Oh, it's just that if you're aware of the movie
Willy Wonka gives the key or whatever to the factory and I was basically
just given the reins to run the Business Unit.

If I could just put that in some context. Is this a correct chronology of your time at Botany Bay Council since you started in around 2008?---Okay.

All right. You started off as a labourer?---Yes.

And then someone left from the nightshift?---Yes.

40 And you were shuffled up to that position?---Yes.

Then someone left as the nightshift supervisor?---Yes.

And you were shuffled up into that position?---Yes.

The 2IC left?---Dayshift, yeah.

In the dayshift and you were shuffled into that position?---That's correct.

The same situation happened when someone left as co-ordinator?---Yes.

And finally when you took this role as Acting Business Unit Manager Peter Fitzgerald – is it Peter Fitzgerald?---Yes.

Left and you were shuffled into that position?---Correct.

There's been some discussion, there's been some reference here to Peter Fitzgerald Senior and Peter Fitzgerald Junior?---Yes.

Are you aware of the distinction between those two people?---Yeah. One's the dad and one's the son.

And the Peter Fitzgerald whose role you took as the Business Unit Manager, that was Peter Fitzgerald?---Junior.

Junior. And so in that context are you saying in your reference to Willy Wonka that you've just found yourself in the position as Business Manager and was given the, the key to run the Business Unit?---Business Unit. That's correct.

Is that right?---That's correct.

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And is that also what you meant when – in point 98 further down you say, "I was given a break at the Business Unit just like Willy Wonka's got"? ---Correct.

Now if I can just clarify the situation in relation to the Council cars and your involvement with them as the questions were asked of you by Council Assisting and Counsel for the Council of Botany Bay. There are three cars involved. Is that correct?---Yes.

One car was a car that you were entitled to have - - -?---Yes.

- - under your contract and you were entitled to use that for personal and business. There was a second car which you were not entitled to have - -? ---Correct.
- --- which you took from a depot or workshop at Botany Bay for your son? --- Yes, that's correct.

And there's a third car which was at Gary Goodman's workshop Gas Sports I think it was called?---Yeah.

At Wetherill Park?---Yes.

And in relation to that Gary – after the ICAC inquiry, is that correct?---Yes.

Gary contacted you and asked you if you could collect that car from his workshop - - -?---Correct.

- - - and bring it back to Council?---Correct.

And the circumstances of that is that because someone had to drive out there and drive the car you took your son out there and your son drove the car back?---Correct.

10

Apart from driving the car – that car that Gary had asked you to pick up back to the Botany Bay Depot - - -?---Yes.

- - - did you use that for any personal reasons?---No.

Did your son use that for any personal reasons?---No.

So your only involvement in relation to that particular vehicle was simply transporting it back?---Transport it back to Council.

20

Now if I can just take you to the loans that you received from Malcolm Foo?---Yes.

As a point of context I believe that in approximately June of last year your wife required a serious operation. Is that correct?---Correct.

Can you tell me whether the loans with Malcolm Foo started before or after your wife had the operation?---Probably after.

30 After. So after June, 2015?---(No Audible Reply)

And initially you understood that you were receiving loans from Malcolm Foo - - -?---Yes.

- - - as a personal basis?---Yes.

With no relationship to Botany Bay Council?---No.

Or in fact to any suppliers. Is that correct?---Correct, yes.

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And I think you've subsequently given evidence that Malcolm Foo subsequently told you that he didn't require repayment and that the money would be coming from a contractor. Is that right?---That's correct.

And to the best of your knowledge when did you have the conversation with Malcolm Foo where he told you that the money was coming from a supplier?---End of July, August, sometime like that.

So at the earliest at the end of July but perhaps August was the first time that you were aware or that Malcolm Foo had told you that the money was coming from a contractor?---That's correct.

And that contractor is Gardens2envy. Is that right?---That's correct.

So any invoices that you authorised prior to July/August, 2015 - - -?---Yes.

10 - - - you had authorised without any knowledge that Gardens2envy were making payments to you?---That's correct.

And did you, after you became aware that the payments were made by Gardens2envy, in any way favour Gardens2envy as a supplier?---No.

By that I mean did you arrange for any additional work to be put their way? ---No.

Did you authorise invoices that you knew were to be false?---No.

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And on that point, it's your evidence isn't it, Mr Goodman, that at no time did you sign any invoices which you knew to be false?---That's correct.

Yes, thank you.

THE COMMISSIONER: Yes, Mr Thangaraj.

MR THANGARAJ: The amount of money that Mr Foo said don't worry about repaying, how much was that?---First off it was, I think it's \$300 or something and from then on it would have came to a total of, I don't know, maybe \$10,000.

Right. Did you tell anyone that – anyone above you in management that a contractor – when you found out, a contractor was advancing you money? ---No.

Did you understand that that would be a conflict of interest?---Yes.

All right. So you chose not to tell anyone that?---Yes.

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All right. Now you told us that – about the incident that Mr Seng observed, people at your – Council people doing work at your house?---Yes.

Did you have a conversation with him after that where – or that day or some other time were you – where he asked you about it?---Not that I can recall.

Do you remember saying to him it's none of your business?---I don't recall that.

All right. You understand don't you that using Council resources that way might have led to your job being terminated?---Yes.

And similarly, allowing your son to improperly use a Council vehicle that might have led for you to lose your job?---Yes.

And similarly, having work done at your father's house?---Yes.

And also not reporting the fact that your brother improperly had a Council vehicle?---After the inquiry.

Well, when you found – when, when you drove the car back - - -?---Yes.

- - - you didn't report that?---Yes.

So that could have led – you hadn't been terminated by then had you, that was the day that - - -?---No.

So you were still working?---Yes.

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So that could have led to your job being terminated?---Yes.

Your lawyer just asked you what you did was transfer the car back?---Yes.

But you did more than that didn't you, you hid from ICAC and you hid from Council the fact that Mr Goodman improperly had this car?---Yes.

And by driving it back with that knowledge you were actually assisting Mr Goodman deceive ICAC and the Council about his misuse of that car? --- That's correct.

All right. Now all – each of those things standing by themselves is more serious than a process number not being on an invoice isn't it?---They're all bad.

Sorry?---Yeah.

Yeah. Each of them is more likely to lead to your job being terminated than the number problem?---Yes.

40

Right. You did know about Ari Landscape - - -?---No.

- - - and you did discuss it with Marny Baccam didn't you?---No.

All right?---I knew nothing about Ari Landscape.

All right. Nothing further.

THE COMMISSIONER: Thank you, Mr Goodman. You can step down. You're excused.

# THE WITNESS EXCUSED

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[2.18pm]

THE COMMISSIONER: Just before we call the next witness could I make everybody aware that we're going to adjourn at 3.30 this afternoon. Yes, Mr Thangaraj.

MR THANGARAJ: Sam Alexander, Commissioner.

THE COMMISSIONER: Yes, Mr Chee.

MR CHEE: Commissioner, I have explained the effect of section 38 to Mr Alexander and he seeks a declaration under that section.

THE COMMISSIONER: Thank you. Mr Alexander, you appreciate that the order protects you against the use of your answers against you in civil or criminal proceedings but it doesn't protect you from the use of your answers if it should be found that you have given false or misleading evidence to the Commission. You understand that?

MR ALEXANDER: Yes.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT
ALL ANSWERS GIVEN BY THIS WITNESS AND ALL
DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS
DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS
PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN
GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO
NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT
OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR
THING PRODUCED

THE COMMISSIONER: Do you wish to be sworn or affirmed, Mr Alexander?

MR ALEXANDER: Affirmed.

THE COMMISSIONER: Yes, can the witness be affirmed please.

03/03/2016

MR THANGARAJ: Mr Alexander, could you give us a brief work history, please?---I was a technician in training with the PMG back in 1967 subsequently a technician, a technical officer, I then joined Burroughs Computers in 1978 as a large systems engineer. In 1980 I became a telecommunications analyst with a company called NUS International for three years. I then joined Coopers & Lybrand Services in 1984, joined Housley Computer Communications as a lecturer in 1985 and from about 1986 I've been a telecommunications consultant with my own business.

All right. And - - -?---And at times I've worked for Telstra directly in Telstra shops as well as my own Telstra dealerships.

All right. When did you meet Gary Goodman?---I think that was 2011.

And what were the circumstances of that?---I was invited into the Council to meet the General Manager, I believe the Mayor, the Deputy General Manager and Gary Goodman.

And was that for the potential to do work for them?---Yes, it was.

And did Leong Seng - - -?---Yes, he arranged the - - -

- - - introduce that?--- - - introduction.

Right. Did you ever do work for Mr Goodman personally?---I did work for Gas Motorsport and yes, Mr Goodman.

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And when were you doing that?---Consistently since 2011.

But after you were doing work at Botany Bay Council, was it?---At the same time.

All right. But - - -?---Because I hadn't met Gary before then.

That's what I mean. So the work for Gas Motorsports came after the interview at Botany Council?---Yes.

40

Right. Did you ever lend Mr Goodman any money?---Yes, I did.

Over about what period of time?---Over a period of about 18 to 24 months.

And this obviously was at a time that you were doing work for Council? ---Yes, it was.

At a time when you were sending invoices to Mr Goodman for payment?

---Yes, it was.

All right. And the amount of money that you lent him, were you charging him any interest?---Ah, no, but I will be charging him interest when he repays it back for the use of the funds.

Well, was an arrangement with him that you would charge him interest? --- Just a nod and a wink.

Right. How much did you lend him?---About \$25,000.

And what interest rate do you propose to charge him?---Oh, the same rate as my credit cards.

And did you tell him that at the time you borrowed the money?---I don't recall.

And what are you paying on your credit cards?---I don't know.

It's 18 per cent, isn't it?---I don't know. You'd be a better man than me if you knew what credit card payments were.

The reason – I seek to vary the suppression order on page 410 at lines 18 to 21.

THE COMMISSIONER: Yes, the order made in relation to the evidence on 1 February is varied to the extent indicated by the line and page reference in the transcript.

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# THE ORDER MADE IN RELATION TO THE EVIDENCE ON 1 FEBRUARY IS VARIED TO THE EXTENT OF PAGE 410 LINES 18 TO 21

MR THANGARAJ: Do you remember being asked this question recently in this room. "Am I right in thinking that this money that's outstanding on the credit card is in the order of 25,000, that you're effectively paying about 18 per cent interest on that money?" Answer, "Yes, correct, I am?"---I would have probably said yes, correct, I am paying interest on the card. I don't recall the 18 per cent but - - -

All right. All right. And the 25,000, was that made up of being lent more money and some being repaid?---Yes, it was.

All right. How much have you been repaid?---I do know now it's about 10,600 if I recall.

All right. So you've lent him about \$35,000, have you?---Yes.

All right. Have you ever put in a false invoice to Council?---Yes.

For what?---For payments made to Telstra.

All right. And how did that first arise?---In general I was asked to reimburse either Gary Goodman, Mark Thompson, Barry, oh, I forget his surname.

10

Byrnes?---Byrnes, could have been Byrnes, and or and perhaps Lara because they had paid Telstra bills from their own credit card and they needed reimbursement and it would be a lot quicker for me to do it for them than it was for the Council.

All right. So - - -

THE COMMISSIONER: Sorry, can I just get this straight. Those persons at some stage paid a legitimate Telstra bill out of their personal funds and in order to reimburse them, you submitted a false invoice in relation to the supply of Telstra equipment to Council. Is that what you're saying?

---Ah, no, Telstra bill payment, not Telstra equipment. A Telstra account, phone account.

Yes. Well - - -?---Yes, and that's what I'm saying.

But that's, but that's – so what you did to reimburse them was to submit a false invoice to Council?---Yes.

30 MR THANGARAJ: And I'll go through the detail of that in a moment, but was there any other false invoices you put through?---Not to my knowledge.

All right. Well - - -?---Not that I recall.

Sorry?---No.

40

Well, if you had deliberately put in a false invoice either at your own initiative or at the request of Mr Goodman, that is you were stealing from Council, you'd remember that, wouldn't you?---You asked me a specific question and I said no.

Okay. So the answer is no, you never put in a false invoice to Council apart from this Telstra bill you're talking about?---Yes, that general sense of Telstra bills, yes.

Okay. And when we say the general sense of Telstra bills, I'll come to that now. You're talking about repaying Council employees who had paid a legitimate Telstra bill?---That was my understanding at the time.

And the only falsity then you're saying is that you described the basis of the invoice incorrectly?---Yes.

Right. So in other words, you did not cause Council to lose a dollar, because what you were saying was, you were reimbursing these people the amount that they had spent?---Yes.

You weren't taking anything on top of that?---Not a penny.

10

Okay. All right. Now, can I show you this document. You've seen this before. This is volume 16, page 218. Now, is this an example of what you're talking about?---Yes.

Okay. And go to the next page, please. And is this an example – this is an email from you to Mark Thompson cc Gary Goodman. Is this an example of the sort of email you're talking about?---Yes, to match the invoice.

Okay. All right. Well, tell us firstly what's false about this?---Well, the – if we go back to the first one, the amount of 6,673.22 - - -

Yes?--- - - is the amount I would have been informed that someone had paid to Telstra and for me to invoice the Council for that and to reimburse the members who paid it.

Right. All right. And so the next step was for you to put in an invoice? ---Yes.

Or to send an email like this?---Yes.

30

Okay. So let's go to the email then. You told us that there were aspects of this that were false?---Ah hmm.

What was false on this email?---The line that I have just paid \$6,673. All the rest I presume would have been correct.

Okay. So what you're saying to, in this email is that you had paid it, not that somebody else had paid it?---That's correct.

And if it wasn't – given that it wasn't you that was paying it, who did pay it?---It was either, to my understanding, Mark Thompson, Barry - - -

Byrnes?---Byrnes, Lara - - -

The General Manager?---Not Lara, sorry, Lorraine - - -

MR MOSES: Can the witness please clarify where he referred to Lara earlier, was he meaning to refer to Lorraine and not Lara?

THE WITNESS: I was meaning to refer to Lorraine.

MR MOSES: Yes. So the evidence you gave earlier when you said Lara, you were mistaken, you were referring to Lorraine?---Lorraine, yes, the Deputy General Manager.

Yeah. Thank you?---Sorry. And, and Gary Goodman, one of the four.

MR THANGARAJ: And each of them at different times did this, did they? ---Most of the time they were all together - - -

Right, okay?--- - - when I met up with them to - - -

So your evidence is that you were lying to people in this email who knew that it was a lie?---Correct.

Okay. We'll just go through this step by step. I think we've done this before but we'll do this?---Ah hmm.

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You say that Telstra had a relationship with Botany Council, Botany was using Telstra, they had significant bills to pay?---Correct.

There were times where moneys were outstanding?---Correct.

And you're saying that there were times that Telstra threatened to disconnect Botany Bay Council - - -?---Yes.

- - - from their phone and whatever other services immediately if a payment wasn't made immediately?---Yes.

And the people that might pay for that well one of the four persons you were talking about, including the Deputy General Manager, Barry Byrnes, Gary Goodman or Mark Thompson?---Correct.

And I've put this to you before but just to remind to, I put this to you before that what you're saying was a complete fabrication, remember I put that to you last time?---You did.

And so I'll just take you through this. That one of these four people rang you to say I've just paid this credit card, I've just paid this bill on my credit card, is that right?---Yeah, correct.

And they wanted you to facilitate reimbursement?---Correct.

And what you would then do was you would send in a false invoice - - -?---Correct.

- - - like the one I've just shown, is that right?---Correct.

To cover the amount?---Yes.

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You will then be paid by Botany Council?---Yes.

In what form?---Either into my account or by a cash cheque.

Right. And then you would then get the money out of your account, if that was the way and you would then return it in cash - - -?---Yes.

- - - to Gary Goodman?---Or to the others. Because as I said quite often they were together.

Right. And so you happened, you'd go in there and the four of them are together and you give the money to whoever, whoever it was?---Yes.

And on other occasions they would send you a cash cheque and you would go and cash the cheque and then give it back to the person?---Yes.

Rather than the person who paid the bill getting a cash cheque and doing it themselves?---Correct.

Right. And what was your explanation again for why they needed you to cash a cheque as opposed to - - -?---Well, because they wanted reimbursement on the same day they made the payment rather than go through Botany channels, I suppose.

Right. So they wanted their money as soon as possible?---Yes.

So rather than getting a cash cheque for which they were perfectly entitled and cashing it themselves, they'd introduce a middle man for that?---Yes.

So even though they wanted it immediately they'd take a method of delaying the payment?---Yes.

And why is it that it got to the stage where Botany Bay Council was under threat of disconnection from Telstra?---Well I sent you a number of emails from Telstra when I sent all my information to ICAC showing that they were under serious threat of disconnection. And there was quite a long series of correspondence between myself and the accounts manager of Telstra.

And each of these bills had – this is last year we're talking about?---Yes, last year.

So each of these bills had a BPAY number?---Yes.

And Gary Goodman or many other people could've paid those invoices, sorry, paid those Telstra bills by BPAY?---Except, it's not unusual to get a phone call from Telstra saying this has now been outstanding, you haven't met your obligation to pay it when you said you would last week so unless it's paid now by credit card we're going to disconnect you.

So you're saying that Telstra would disconnect a Council - - -?---Oh, yes.

- - - in Sydney because they refused to pay by BPAY?---Yes. Because we're not talking about someone ringing up Botany Bay Council, we're talking about some accounts person in the Philippines, I believe, who makes the phone call, never heard of Botany Bay Council.

Right. And how would they know whether a credit card payment's gone through quickly as opposed to BPAY?---Because they do it on the spot. They put you through to the right section within Telstra to pay it as part of the continuum.

Right. Okay. And what you're saying then is that no one had access to a Council credit card?---They used to have a Council credit card run by the old General Manager, Peter Fitzgerald, and it was a Diners card and they used to pay all immediate payments out of that when they needed to.

Right. And what steps did you take to tell Council if this was all true, that they needed to get their payments in order so that they could be paying these people on time?---I told them many times and part of my correspondence listing that Telstra chap is pointing that out.

Right. And did Mr Goodman take any steps to try to pay this properly?

---No.

Or earlier?---I don't believe so. But then again, I don't know what Mr Goodman does or doesn't do.

Okay.

THE COMMISSIONER: You knew that Mr Goodman was the Chief Financial Officer?---Yes.

Well if there was anyone in Council who was going to be able to pay a bill of that nature it would be him, wouldn't it?---I presume so.

All right. How much in total did you return in cash to this group of people? ---I don't know.

Well what's your best estimate?---I can't estimate.

Well you estimated one when I asked you about this before?---Well can you remind me then and I'll stand by that?

Well surely what you're memory's decreased in 19 days, has it?---No, it hasn't decreased. I've been flooded with a large amount of information since then and I can't make a rough guess as I did then.

All right. Well you thought that you had provided Mr Goodman about \$50,000 in cash?---I think now on reflection it might be closer to 60 or 70.

10

Okay?---But I don't know.

All right. Okay. And separately to that, did you put in any false invoices with respect to saying I've provided say car kits?---No.

I'll show you this document, volume 17, page 198. Can you say whether or not that's a legitimate invoice?---Yes, that's a legitimate invoice.

And the reason that you say that is because you've never put in a false invoice?---No. I'm saying that because I'm looking at that and I would've sent four car kits over to Gary Goodman for installation at the airport or take them straight to the airport.

Okay. But also your confident in saying that it wasn't a false invoice because you never put in a false invoice?---No. That's not why I'm saying it. I'm saying it because I'm looking at that invoice and I'm telling you I would've supplied that equipment.

THE COMMISSIONER: Well leaving aside these invoices that were false because of the need to reimburse Council officers for paying the Telstra bills, is your evidence that you did not otherwise ever put in a false invoice?---Yes. That's what I told them before.

Right. That's right.

MR THANGARAJ: Okay. Well Mr Alexander, I would, rather than bothering to ask you anymore questions, I'm going to play you a few recordings of you speaking to Mr Goodman and I'm going to ask you the same questions again?---Rightio.

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All right. Let's start with the Telstra one, 12326.

#### AUDIO RECORDING PLAYED

[2.38pm]

MR THANGARAJ: You see that was the phone call on 1 October, 2015, you see that top box at the top of the page?---Mmm.

Is that you speaking to Mr Goodman?---I presume it is.

All right. Are you concerned that it might not be you speaking to Mr Goodman?---I don't see the chain of telecommunications and all that but I presume it is.

Okay. Now if we can bring back up document Volume 16 page 218 please. Just look at the date and you'll see that that is the 1 October, 2015, same date as the phone call?---Right.

And your email that I took you to before on the following page was also that date.---Yes.

So, you agree that all this happened on the same day?---It looks that way.

The phone call was at 1.20pm, the email was at 1.44pm. All right. Now, do you stand by the evidence you gave before with respect to - - -?---Yes.

Okay. All right. Well, let's go through the transcript of the conversation then from the intercept. Go to the first page. Now, this even on your version of what you say happened, this wasn't Mr Goodman saying that he paid the bill was it?---That was my understanding.

Was it, all right. Well, let's see where you got that understanding from. Can you point us to anything on the first page that gave us that understanding?---Just through the prior history.

THE COMMISSIONER: Sorry, what prior history?---That I had made out an invoice for Gary Goodman because he paid, it says he you just got a call from Telstra um, I presume from that conversation he paid an outstanding amount and needed it reimbursed straightaway.

Mr Alexander, I really don't want to prolong this more than we absolutely have to, but one obvious construction of that telephone call is that Mr Goodman is telling you what to do, he's giving you instructions and those instructions include the issuing of this false invoice and then you communicating with Mr Thompson telling him that he's required to pay some portion of that Telstra bill. So it's Mr Goodman telling you what to do?---Yes, I - - -

So he's setting it up, he's setting up the false invoice by which he's going to get money from Mr Thompson?---Well, that's now my understanding but at the time, I believed that it was a reimbursement.

Are you serious?---Yes, I'm serious. I've explained that before.

Well, I - - -?---I explained how the Council worked.

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I don't, as I said, I don't want to prolong this Mr Alexander but please don't insult the intelligence of every person in this room.---Well, don't challenge me that way then because I'm telling you I didn't

All right. Well, Mr Alexander can I just - - -?---I'm prepared to give you the history.

Can I just point out something, that you volunteered - - -?---Yes.

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- - - in response to questions from me on an earlier occasion, you described yourself as a highly intelligent man.---No, I didn't describe myself, you assumed that but I don't - --

No, no, no.---I'm not conveying that.

You agreed with that description.---I agree, okay.

Do you agree with it now?---Yes, I certainly do.

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All right. Let's go.

MR THANGARAJ: Let's go back to the first page of this phone call. You see that the first thing Mr Goodman says is, this is what you've got to do.---Yes.

He's giving you an instruction?---Correct.

The history between you and I'm going to take you to the phone calls is, the 30 history that involved you putting in false invoices for work and providing services, okay.---Right.

That's the history. That car kit document I showed you, I'm going to play you a call, where he's told you to put in four car kits, told you to put in an invoice for car kits which was obviously false and that's what you did, all right. I'm going to take you to that.---Okay.

That's the history that lies behind this.---Right.

Now, you said, yes and then he said, Ring Thomo, say you've been trying to ring me but I was on the phone. So what he's saying is, lie to Mark Thompson. Is that what he's saying?---He's saying to tell Mark Thompson that.

Yes, he's telling you to lie to him.---I don't know if he's standing next to Mark Thompson.

What so, what would be the purpose of you making a phone call to Mark Thompson contained a lie that Mark Thompson knew about?---I had have no idea.

Well, it's absolute rubbish what you're saying Mr Alexander.---Well, in that case, that's how you see it.

All right. Well, let's go through it. Ring Thomo and say you've been trying to ring me but I was on the phone.---Right.

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Let's assume Mark Thompson was not there.--- Okay.

All right. What he's telling you to do is to say, tell him you tried to ring me but lie to him and tell him you couldn't get through. Do you agree with that?---Yes, I agree with that, if he's not there.

Whether he's there or not, that's what he's saying?---Yes.

So it doesn't matter whether he's there?---No, well you've presumed that, you've told me he wasn't there.

Okay. But let's assume there is no assumption.---Okay. This is a different question then.

Mr Goodman is telling you, Mr Goodman is telling you what to say to Mr Thompson, correct?---In this, yes.

And what he's saying to you is, tell him you tried to speak to me but you could not.---Yes.

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So he's telling you to lie to Mr Thompson.---He's telling me to tell Mr Thompson that I couldn't reach him.

Yes, which was a lie.---I don't know that.

Well obviously you're speaking to him.

THE COMMISSIONER: You're talking to him to him now on this telephone call. You're talking to Mr Goodman on this call.---Yes.

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He's telling you, ring Mark Thompson and tell him that you couldn't speak to me because I was on the phone.---Yes.

And you're having a conversation with Mr Goodman about it, so it has to be a lie doesn't it?---In this hypothetical - - - MR THANGARAJ: It's not a hypothetical.

THE COMMISSIONER: No, no, not in this hypothetical, in this situation. Mr Alexander, before you go any further, I'm saying this for your own good. I made it clear to you at the beginning of your evidence that Section 38 does not protect you from the use of your answers against in a criminal prosecution under The ICAC Act for lying or deliberately misleading this Commission.---Right.

Now think about that carefully because don't think for one minute that at the end of the day if The Commission forms the view that you have deliberately mislead it that you won't be prosecuted for an offence. Do you understand that?---I hear that.

All right. Let's go.

THE WITNESS: In answer to your question is, this is, he asked me to lie to him.

MR THANGARAJ: Okay. He was telling you what to tell Mr Thompson, wasn't he, further down, he says, "Just got a call from Telstra, remember that \$25,000 bill."---Yes.

You remembered that bill didn't you?---Mmm.

Or did you?---I myself personally at the time?

Yes.---I don't know if I remember that at the time or not.

Okay. What he's saying to you is, this is what he wants you to tell Mr Thompson. He saying, tell him we had a \$25,000 bill, correct?---Yes.

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And he wants you to tell Mr Thompson, we only made one payment and you say, yeah, about \$6,000. Mr Goodman says, yes, we paid that.---Yes.

Over the page and what he's then saying is tell Mr Thompson that you had to make another payment, right?---Yes.

He's not saying tell him that I had to make a payment or Lorraine had to make a payment or that Barry had to make a payment or that whoever the other person was that you said had to make a payment, he's not saying that is he?---No, not, not in words.

What he's in fact saying is, you tell Mark Thompson, who you say is part of this cartel - - -?---I didn't say he's part of the cartel. I said he was one of the four who was often there handing me cheques.

Okay. All right. He's saying to you, tell Mark Thompson that you, Sam Alexander, had to pay part of that bill.---Yes.

Right. Which you knew was false.---Yes.

So he's telling you, telling another lie.---Yes.

And that to tell him as well that the balance had to be paid today.---Yes.

Which was also a lie.---Yes.

Right. So that's the third lie he wanted you to tell Mr Thompson on the phone.---Yes.

And you say Mr Thompson knew about this scheme?---Well he probably handed me the cheque.

Right. And then you say, "How much did I pay?" Which means, we're going to lie to Council, we're putting in a false invoice, tell me what humbler you want me to put in. Is that right?---Yes.

Okay. And then he says, I don't know six and a half, something like that.

You agree that's what he's saying to?---Yes.

That's what you understood. Then tell him to tell, you're saying. Tell Mark Thompson that you put it on your credit card.---Mmm.

That's what he wanted you to lie about that too.---Yes.

And you never made a payment on your credit card did you?---No.

No. And this ultimately is the email with the lies in it that you sent through, isn't it?---Yes.

Yes. Tell him that you can't afford that, see that, he says, just tell him you need that money you can't afford it.---These haven't been flipped.

Okay. Sorry. It's on, it's on the same page?---Is it.

I'm going through this line by line?---Okay. Rightio.

See where he says to you - - -?---Yeah.

--- "And just tell him you need that, you can't afford that"?---Right.

So what he's saying is this is a way you can get Mark Thompson to pay this straightaway - - -?---Ah hmm.

- - by saying I've paid it - -?---Ah hmm.
- - which would be a lie - -?---Ah hmm.

40

- - - and I need to be repaid it because I can't afford to carry Council?---Yes.

Right?---Ah hmm.

That's what he's saying for you to do?---Correct.

Which is what you did?---Ah hmm.

"And tell him that he's got to pay the balance of it today and you'll get the details"?---Right..

Right. And so that is there is more of the bill to pay and you will send him the details?---Yes.

Right. So you say, "Okay." You agree to do that?---Yes.

Which is what you did?---Mmm.

And there's no suggestion there of you having to reimburse anyone from Council was there?---That was my understanding.

Where did you get that understanding from?---Because of prior history.

Right. So that prior history – I'll just tell you for your information, every single person that you have suggested – sorry, you suggested Lorraine Cullinane was part of this history?---Yes.

She denies it for your information?---Right.

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Mark – who else, Mark Thompson?---Thompson.

He denies it?---Ah hmm.

Barry Byrnes, sorry. Barry Byrnes denies what you're saying, all right? ---Right.

Mark – I withdraw what I said about Mark Thompson. He hasn't been asked yet?---Oh.

40

So in that circumstance at the moment at least, at the moment the history that you're talking about is only from you, all right. Now I want to ask you this?---Yeah.

Is there any documentary evidence whatever to show someone else used their credit card to pay for a Telstra bill urgently?---I don't know.

Okay. Is there any evidence to show that someone asked you, that is someone from Council asked you to reimburse them because they had just used their credit card to pay a Telstra bill?---No documentary evidence, no.

All right?---Just word of mouth.

Is there any evidence to show that you had returned to somebody money that they had advanced Council on their credit card to pay a Telstra bill? ---Only when I returned it to Gary and the other individuals there.

10

Where is the evidence of that, did you get a receipt off them?---No.

All right. So these people are misleading Council. That's your evidence is it?---That's my understanding.

Yeah. And, and they wanted the money urgently but rather than just saying to Council I've urgently paid this so can I have my – can I have the money back they went on this elaborate scheme that you've told us about?---Yes.

And they would have been entitled to immediate reimbursement from your knowledge if they had paid that bill on their credit card?---I believe so, yes.

And if Council had the money to pay them back immediately why wouldn't Council just pay the Telstra bill?---Because I believe they were avoiding embarrassment because their accounts were so far in arrears. That was my understanding at the time.

But they were already in arrears?---Yes, but continually in arrears. I mean they had not repaired the issue.

30

Right. And so who was going to find out that didn't already know?---I don't know because I don't run Council.

All right. I tender that document, session 1-2-3-2-6.

THE COMMISSIONER: Exhibit R27. Sorry, Exhibit R30. I'm sorry.

### **#EXHIBIT R30 - TRANSCRIPT SESSION 12326**

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MR THANGARAJ: Mr Alexander, you lied about this issue during your compulsory examination and you're lying about it now, the Telstra bill? ---No.

You've invented this convoluted explanation to hide the fact that you and Mr Goodman deliberately put in a false invoice to raise money for the two of you?---No, I have not taken any money from this at all.

All right. How about we listen to this tape, 1-2-0 - - -

THE COMMISSIONER: Before we go any further, when you say you haven't taken any money, Counsel's question contained further propositions which related to the use of these false invoices to obtain money from Council full stop, whether it went to Mr Goodman or you?---Ah hmm.

Is that what happened?---I understand it is what happened now. At the time I didn't believe that.

So even though Counsel has taken you through that phone call - - -? ---Ah hmm.

- - Exhibit R30 - -?---Ah hmm.
- - and you agreed with every proposition that Counsel put to you about what was being said on that phone call?---Yes.
- Are you still maintaining that during that phone call you were not conscious of the fact that you were being asked to submit a false invoice on a false basis in order to obtain money from Mark Thompson which he was not obliged or required to provide?---Yes, I am, I am aware of that.

You're aware of what?---What you just said that, that those steps all took place but at no point at the end of those steps did I take any money personally.

All right. But I want to make sure I understand this. You're agreeing that that phone call demonstrates that you knew you were being given instructions by Mr Goodman to create false invoices to get money from Council?---Not at the time. Not at the time.

So apparently, Mr Thangaraj, that was an agreement with your propositions in the abstract that he actually didn't realise that that was what was occurring at the time.

MR THANGARAJ: Well, let's - - -

40 THE COMMISSIONER: Is that the position?---Yes, that's the position.

MR THANGARAJ: All right. Well, let's see - - -?---At that time.

All right. Well, let's see if your position changes after this phone call. 1-2-0-4-3 please.

### AUDIO RECORDING PLAYED

[2.56pm]

MR THANGARAJ: All right. Now are you saying that that document I showed you before of 30 September which was the same date as this phone call - - -?---Ah hmm.

- - - was a legitimate invoice?---Yes.

All right. Well, let's go through this call. Page 2. You've told him that you have sent him an invoice and he says, "Send me another one"?---Ah hmm.

What do you think that meant?---Just send him an invoice.

Yeah. A legitimate invoice?---Yes.

Right. But how could you send him a legitimate invoice when you haven't done the work?---No, I would have ordered four car kits on behalf of the Council.

Yeah?---I would have been paid. I would have lent him the \$2,000 and then paid for the car kits when they came in.

And the amount of money that you had to bill – that you invoiced just happened to be did it the amount that he wanted?---Yes.

That was a coincidence?---Not a coincidence. It's just that I ordered four car kits for them to cover the cost which they were continually using car kits.

All right. Let's go through it line by line. When he says, "Send me another one", what he means by that is because of your history of false invoices with him he was saying just put in another invoice, we'll get the money that way. Do you agree with that?---Yes.

Maybe – I don't think you understood the question?---I don't think I - - -

I'm saying that the two of you have put in a number of false invoices already by this time, that is you had stolen from Council through your invoices to profit improperly from Council?---No.

Okay?---My understanding is - - -

That's - I'll just - -?---Oh, okay.

All right. And in – and because of that when he said, "Send me another one", he means send me another false invoice. You don't agree with that? ---No.

40

All right. Let's go to the next line. And you say, "Well, rightio, what do I say, two iPhones?" See that, not, not well, what can I provide you, what does Council need?---Ah hmm.

You don't care about that because you're not going to provide the goods or services. You say, "What do I say, two iPhones?" You're, you're proposing to send in an invoice that had two iPhones which would be more than \$2,000 which would get the \$2,000 to give him what he wanted?---And then I would supply the two iPhones and be reimbursed for the two iPhones from Gary.

Right. And then he says, "No, don't make them iPhones." What do you think he meant by that?---Don't – I don't know what he meant.

Well, maybe it meant you'd put in a false invoices already for iPhones, we better move on to something else. Is that what he meant?---I don't know.

Well you said oh, okay. You didn't say what do you mean?---You might've heard on the tape I was very rushed. I'm sort of perhaps in a car or something like that. I did say something to the effect that I wasn't in an office or anything, I believe.

But does that mean you couldn't have a conversation with him?---Well, I was having a conversation with him.

Yeah. But does it mean - - -?---But I was thinking - - -

--- you couldn't have a ---?--- as I was going as I was perhaps driving.

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You put in the invoice that day which reflected this conversation?---Yeah. But not from a car when I'm having this conversation.

I'm not suggesting that you typed out something in your car. You put in an invoice that's consistent with this phone call, didn't you?---And then I would've - - -

Didn't you?---Yes.

40 So there is nothing that was not making sense to you during the phone call?--No, because I knew that I'd provide the equipment and then get reimbursed from Gary personally.

Well lets go further down through this call. "Make them for the airport"?---Right.

What did you understand that to mean?---That the, that the airport needed some equipment.

When you said "I'm just trying to think, do you want car kits"? And he says "Yeah, yeah. That'll do". "Okay. I'll send you an invoice for four car kits"?---Maybe because at the time I perhaps know, knew that the airport wanted car kits. When - - -

Maybe you were saying okay well we can't put in iPhones which was my first suggestion, how about we put in four car kits?---No. I was probably relating it to the airport depot needing car kits and I suggested four car kits.

10

So did you send – when you sent this invoice then had you ordered the car kits?---I probably would've ordered the car kits on the same day - - -

So there will be a record, there will be a record - - -?---Either that day or the next day.

Well it couldn't have been the next day. Surely you're not asking for money before you've even put in an order?---I often invoiced the Council for equipment up front. I've mentioned that before.

20

Then therefore there will a record – where did you buy the car kits from?---I don't know. Either Strike or a company called Fire Fox or at place out at – there was a number of car kit suppliers.

All right. So there will be someone in Sydney that you use for car kits that you'd been buying car kits from - - -?---In Queensland, yes.

Who will have a record - - -?---Yes.

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- - - of an order placed by you for four car kits either that day or the next day?---Yes.

Okay. All right. I tender that call.

THE COMMISSIONER: Exhibit R31.

### **#EXHIBIT R31 - TRANSCRIPT SESSION 12043**

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THE COMMISSIONER: Can we just go back, sorry, to the first page of that call. Mr Alexander, can you tell me what you mean by "I can borrow it from the Bullion Bank". What's the Bullion Bank?---There's no Bullion Bank. I just - - -

No. Well what were you referring to?---I can borrow it from trading in silver. In other words I may have some money obligated to somewhere else and I'll use that money in the meantime.

You weren't referring to Botany Bay Council, were you?---No.

The Bullion Bank?---No. Not at all.

That wasn't your kind of source of funds, was it?---No.

No?--- Not at all, no.

What so you were going to give Mr Goodman this money that he needed by trading in silver?---Yes.

So why was it that you then had this conversation about supplying car kits if you could've done it by trading silver?---Because that money from the silver would've been perhaps someone else's.

Someone else's, whose?---Whoever bought the silver.

I thought this whole conversation was about making money available to Mr Goodman which he wanted to give to someone else for payment of some kind of accommodation?---Yes.

That's what the whole conversation was about?---Yes. That's what I gather from that, yes.

Right. So you start off by saying "Well, I can borrow from the Bullion Bank"?---Mmm.

But then suddenly you go on to talk about supplying iPhones or car kits. So where was this money going to come from? Was it coming from trading silver or was it coming from an invoice in relation to iPhones or car kits?--- (No Audible Reply)

It doesn't make any sense at all does it, Mr Alexander?---Well that was the conversation we had.

Well I know it was. What I'm asking you is, it doesn't make any sense does it?---Looking at it like that, no.

40 Are you sure the Bullion Bank wasn't a reference to your little scheme with Mr Goodman?---No, no, no, no.

No?---No. Not at all. I deal with a lot of bullion companies.

MR THANGARAJ: Did I tender that call?

THE COMMISSIONER: Yes. Exhibit R31.

## **AUDIO RECORDING PLAYED**

[3.05pm]

All right. Now let's go through this line by line. You were asking him to ignore an invoice that you'd previously sent?---Yes.

10 And why was that?---I've got no idea.

Okay. Was it because you wanted to fix it up?---I've got no idea.

All right. Well he said "No, no. I need you to redo it"?---Mmm.

So the logic of that is you weren't going to do free work or provide products to Council out of your own pocket, were you?---I don't understand the question.

Okay. You weren't saying can you ignore that invoice I sent you yesterday, I don't want to be paid? See the first line?---Yeah. Yeah.

You're saying "That invoice I sent you yesterday can you ignore it"? You weren't saying don't worry I'm not going to charge for whatever I've paid or whatever I've done. You weren't saying that, were you?---I don't, I can't sense the context of this phone call.

Okay. Well let's just, just listen to what I'm asking you. When you said to him "I sent you yesterday", "the invoice I sent you yesterday can you ignore it"? You weren't suggesting that you were going to do free work for Council?---I have no idea.

Well that can't be a possibility surely? You're not saying I've written off that work or I've written off that stuff I've already paid for, that's not what you're saying?---I don't know why I said that - - -

All right. Well - - -?--- - without some context.

I'll come back to why you said that. The next line he says "No, no, I want you to redo it"?---Mmm.

Right. There's a problem with the invoice you sent through, it wasn't, it was too close to looking dodgy?---I don't know that.

And you wanted to fix it up and – well you didn't, sorry, you didn't want it to go through and that's why you said "Can you ignore it"? And Mr Goodman says "No, no. I want you to redo it". Because he wanted the

money to go through. Do you understand what I'm saying?---I don't, I still don't understand the context of this conversation.

THE COMMISSIONER: Well if you don't understand it Mr Alexander, who does? You were having the conversation. It's your conversation?--- Yeah. But is there a beginning and an end to the conversation or - - -

Didn't you propose to Mr Goodman when he said "I want you to redo it", you were going to halve the amount? You say in the call, "Well just take it to half", and he says "No, no, no, no. Don't do that". He says "Just change the description or something"?---(not transcribable)

MR THANGARAJ: Can I tell you Mr Alexander that the first three – we'll going to play the whole thing again and – sorry, the whole thing. The bit that's been left out is "How're you going, Sam. Good Gary, yourself, oh, okay". And then it goes on to that. But we'll play the call again from the very beginning this time so that you'll hear the context of that if you think it will change anything.

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#### AUDIO RECORDING PLAYED

[3.09pm]

MR THANGARAJ: Okay. Now, do you agree that there was nothing before the extract that we went to originally that changed any context? ---No.

You agree with that?---Yeah.

Okay. So let's go back to that first page. And after he said, "No, I need you to redo it," you said, "Yeah, okay?"---Mmm.

When he said, "No, I need you to redo it," you heard that he was emphatic about it, he wanted you to do it even though you had raised the possibility of not doing it?---Mmm.

Remember that?---Yes.

And what you said, "Oh, just down to half that because," what you were saying was, look, I think we're, I think we're pushing it, we're trying to take too much money, we'll do it, bring it down to half, there's a problem?---No, I didn't say that.

Well, surely you're not saying I'll cut down my charging by half?---No, I, I – what I've got here, and I still don't know the context, "Yeah, okay, just down to half of that because," maybe there was a future payment in it or something, I don't know.

A future payment?---I don't know, I, I'm sitting here - - -

But you've already prepared the invoice?---Sorry?

You've already prepared the invoice. You've sent it to him already? ---Yes, but sitting here nine months later you're asking me about a specific invoice that I have no knowledge of sitting here.

No, I'm asking about your relationship with Mr Goodman. Let's keep going?---Okay.

"Just down to half that." And he says, "No, no, I'm not worried about the money." Look at it?---Mmm.

Saying, "I'm not worried about the money, it's just the formatting," that he's worried about?---Rightio.

To avoid suspicion. That's what he's saying, isn't it?---(No Audible Reply)

You want to reduce the money, he's saying no. Do you agree with that? --- No.

Did you want to reduce the – did you want to halve the amount of the invoice?---Perhaps that invoice to future bill it.

Okay. Well, do you agree you wanted to halve the invoice, for whatever the reason?---No, I didn't say I wanted to halve the invoice, I offered to halve the invoice because, and I don't know what the because was.

Yeah. Well, you had said – this was what you were saying, can you ignore it, then you wanted to do it because you wanted to get it down to half? ——I don't know that.

Okay. And then he was telling you, no. Do you agree that he wasn't worried about the money, he didn't want to change the money?---It appears that way.

Right. And, but he did have a problem with the way it was presented? ---Right.

You agree with that?---Yes.

Now, and this was the critical point, in his next comment he said, "Because you want to make this long-term thing." Right?---Right.

If you want to keep stealing from Botany Council - - -?---No, no.

- - - we'd better get this right?---He didn't say that.

40

And at the end of the conversation you say, "I'll work on that now," and that's what you did?---Right. And do you have the invoice I sent which might help?

No. I'm asking you about the conversation you had with him?---Oh, okay, right.

All right. I tender that.

10

THE COMMISSIONER: Exhibit R32.

# **#EXHIBIT R32 - TRANSCRIPT SESSION 1208**

MR THANGARAJ: Could we go to 9463 please.

#### 20 **AUDIO RECORDING PLAYED**

[3.15pm]

MR THANGARAJ: All right. Now, the reason that it was to be broken up into four smaller amounts, can you tell us why that might happen?---Because - - -

If you were sending, if you'd sent a legitimate bill - - -?---Ah hmm.

- - - why would he want it broken up into four amounts do you think? ---To limit the size of the bill paid to Telstra in one hit.

30

Sorry?---To limit the size of the Telstra bill so it wouldn't be such a big amount.

THE COMMISSIONER: But it is the same amount, it's just divided into four separate parts. It's still the same amount?---Yes, but maybe he wanted to pay it over different weeks.

MR THANGARAJ: Did you send an email about that?---I, I don't know.

40 I tender that document.

THE COMMISSIONER: Exhibit R33.

### **#EXHIBIT R33 - TRANSCRIPT SESSION 9463**

MR THANGARAJ: Commissioner, there are a couple of phone calls that aren't ready to be played that I want to play to this witness, so if we could do that tomorrow morning.

THE COMMISSIONER: Yes, all right. We've progressed somewhat more slowly than I would have hoped. That's not intended as any criticism of anyone. So tomorrow, Mr Thangaraj, we've got, we've got Mr Alexander coming back and then?

MR CHEE: Commissioner, if I may, in terms of housekeeping, Mr Alexander does have a commitment tomorrow. He is providing support and transport to a close personal friend who has an appointment at the hospital.

THE COMMISSIONER: Well, he'll have to find somebody else to provide that transport, Mr Chee. That's all there is to it.

MR CHEE: Very well. Thank you.

MR THANGARAJ: After Mr Alexander it would be Mr Gajic, Anmol and Mr Freitas.

THE COMMISSIONER: Right. Thank you. I'll adjourn till 10.00am tomorrow morning.

AT 3.18pm THE MATTER WAS ADJOURNED ACCORDINGLY
[3.18pm]