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PUBLIC
HEARING

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION TUNIC

Reference: Operation E13/1800

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 9 APRIL, 2015

AT 10.23AM

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

MR NAYLOR: Commissioner, I apologise for the delay.

THE COMMISSIONER: No, no, that's all right, I understood there were some problems. Now just before we go any further there are a couple of housekeeping matters as I understand it. Could I just indicate for everyone's information that in spite of the best intentions to conclude the inquiry this week it's become apparent that that won't be possible. One of the reasons it's not possible is because there has been a number of fresh lines of inquiry that have opened up as a result of Mr Bullock's evidence and also as a result of other inquiries that the Commission has made and rather than leave everyone in the dark the proposal is that we finish with Mr Bullock's evidence and then the inquiry will adjourn for two weeks because the investigations that are being carried out will no doubt take that amount of time. Then the inquiry will resume on 28 April, which is Tuesday of the week following the Anzac Day weekend and we are reasonably confident that the inquiry will then finish within the space of that week. It was always the intention as I understand it to call the representatives of the Mine Subsidence Board last and it is necessary for those witnesses to have the full gamut of the witnesses that we propose to call at the inquiry for their evidence to respond meaningfully to the issues that are raised. Can I just say through the Commission to you, Ms Hogan-Doran, that we appreciate the cooperation we are receiving from the Board and much of the fresh information has been supplied by the Board in recent days.

MS HOGAN-DORAN: Thank you, Commissioner.

THE COMMISSIONER: Further to that could I just announce an amendment to the scope and purpose of the inquiry. So the inquiry now adds small paragraph (e) under subparagraph 1 so that the additional scope and purpose reads as follows, That Darren Bullock, the former district manager of the Mine Subsidence Board Picton office revealed confidential MSB tender information – sorry, I withdraw that. No, I think that was something that was already there wasn't it, Mr - - -

MR NAYLOR: Yes. Yes, Commissioner.

THE COMMISSIONER: - - - Naylor. I think I've – I've made that amendment already, there is a further amendment, I'm sorry.

MR NAYLOR: Yes.

THE COMMISSIONER: I'll just go back to that. Oh, sorry, yes. I withdraw that. The further, the further subparagraph to subparagraph 1 now reads as follows, That Darren Bullock, the former district manager of the Mine Subsidence Board Picton office, received or may have received corrupt payments or other benefits as an inducement or reward for showing favourable treatment to David Salmon of A&DJ Building Services Pty Limited. That's the new amended scope and purpose.

MR NAYLOR: Yes.

THE COMMISSIONER: While Mr Bullock was employed by the Board from about November, 2003 to December, 2014 inclusive. Right. Now just, yes.

MR GRIFFIN: Commissioner, can I raise one matter in respect of the adjourned hearing?

10

THE COMMISSIONER: Yes.

MR GRIFFIN: My client, Mr Cole-Clark is travelling overseas on the 12 April and doesn't return until the 16 May, a period of five weeks.

THE COMMISSIONER: I wasn't aware of that.

MR GRIFFIN: I understood that the Commission had previously been informed of his travel plans. They've been booked for some time and they're non-refundable and so in those circumstances that would create problems with the timetable we've envisaged.

20

MR GRIFFIN: Whilst I'm on my feet, Commissioner, can I say that I have a second difficulty and that is that in attempting to obtain instructions from my client in relation to the evidence of this current witness. It's extremely difficult, given the lack of any specificity as to the matters involving my client and - - -

THE COMMISSIONER: Well, you're not the only one, I suppose but look, I don't mean to be vicious, I appreciate that difficulty but I have to say that, that it was largely as a result of some of the evidence that emerged from Mr Bullock yesterday, that I thought your client was in a particularly invidious position because he would have to have access to whatever written material there was available from the Board in order to give evidence in response to some of the matters that have been raised.

30

MR GRIFFIN: I couldn't agree more, Commissioner. That's the reason I raised it.

THE COMMISSIONER: Well, look, can I just say if that's the case it is what it is. Of course your client is a fairly critical client in, a fairly critical witness, I'm sorry, in the circumstances. It may be that we will have to await his return to have him called and I'm, I'm sorry that that's going to happen. But it wouldn't, it wouldn't really, I don't suppose there's any possibility that he can cut short some of that leave and return at an earlier date?

40

MR GRIFFIN: Look, in anticipation of what I've thought you might say this morning, Commissioner, I've raised those matters and there are no possibilities of making any changes. A whole series of arrangements have been put in place, both work and personal.

THE COMMISSIONER: All right.

MS HOGAN-DORAN: Commissioner, may I add one additional matter?

10 THE COMMISSIONER: Yes.

MS HOGAN-DORAN: The, as a consequence of the evidence given by Mr Bullock yesterday, steps have been taken overnight and are proceeding today to obtain documents that concern the matters that he has raised. I anticipate that will continue on through early next week, so the earliest that that material will be made available in complete sense will be - - -

THE COMMISSIONER: The following week.

20 MS HOGAN-DORAN: - - - the following week in any event. And Mr Cole-Clark and others such as Mr Evans will get an opportunity to consider that material as would of course, the Commission.

THE COMMISSIONER: All right. Can I just say this, in view of what's fallen from Counsel I'll have to, I'll have to revisit the question of the adjourned date at some later time during the day after I've had an opportunity to confer further with Counsel Assisting so at this stage I think all we need to know is that we won't be finishing the inquiry and after Mr Bullock's evidence we'll be adjourning for some time. Could I ask the
30 members of the profession to check their diaries so that when we do come back with a proposed date we don't strike this problem again.

MR GRIFFIN: As you please, Commissioner.

THE COMMISSIONER: Thank you.

MR NAYLOR: I should also indicate, Commissioner, that it's likely that Mr Bullock will be - will need to be recalled for short evidence as well.

40 THE COMMISSIONER: Right. All right. And - - -

MR NAYLOR: So I can, I can finish with the bulk of the evidence in respect of Mr Bullock but, but probably not all of it.

THE COMMISSIONER: All right. Just before we go any further, could I indicate that I don't see Mr Eurell in the room and could I also further indicate that in light of what I said yesterday about his application having to

be resolved by 10.00am this morning, that I don't propose to allow any further time. Have you heard anything, Mr Naylor.

MR NAYLOR: I have just been handed, Commissioner, just this moment an outline of submissions, a page and a half, from Mr Eurell. It arrived at 10.24. I haven't read them. They've just been handed to me.

THE COMMISSIONER: Is there any indication of whether Mr Eurell proposes to appear?

10

MR NAYLOR: I'm told he's in another court this morning and expects to be here at 10.00 or shortly thereafter.

THE COMMISSIONER: All right. Well, perhaps you could read them at some convenient time, Mr Naylor.

MR NAYLOR: Yes.

THE COMMISSIONER: And we'll see what happens.

20

MR NAYLOR: Do you want – may I hand up a copy?

THE COMMISSIONER: Yes, thank you. Yes, all right. Well, we'll resume with Mr Bullock's evidence. Thank you.

<DARREN WILLIAM BULLOCK, on former affirmation [10.32am]

MR NAYLOR: Mr Bullock, I want to show you a document. Just have a moment – it's just a one-page document, sir. Just take a moment to have a look at it?---Thank you. I've read the document.

10 Thank you. This, this would appear, sir, to be a minute paper that you prepared dated 19 April, 2007 to go the Board. That's right?---It, it does, yeah.

And, and this is, this is the document that really kicked off as it were the process for getting Tahmoor claims increased from – or getting, getting the increase for selected tenderers, the value of works increased from \$20,000 to \$50,000. That's right isn't it?---It does.

20 Right. And you gave some evidence – yesterday I think I was asking you some questions about Insight Landscapes and that the tenor of the evidence yesterday was, was to the effect that well, trying to fix up pools was kind of in some special category wasn't it because - - -?---Mmm

- - - it wasn't usually done and it might have been difficult I think was the import of your evidence to comply with the usual requirement to get three quotes?---Basically.

Right. And that – so there's a – you've mentioned the, in the last paragraph you've made a suggestion that there just be a single tender for pool repairs? ---Yes.

30 Right. All right. Do you know whether or not the Board made a determination consistent with your recommendation?---Ah, I don't know whether there was a written determination but I know I had talks with Greg and I think one was Mike Clarke at the time where we likened it to um, a lot of the time people have may have a Narellan pool let's say and we likened it to if you had a Commodore and you put an insurance claim in you should get a Commodore back. If you had a Mercedes you should get a Mercedes back so I said, you know, a lot of people say look, they want a Narellan pool 'cause they've got a Narellan pool or they want a Mirage pool, we had a Mirage pool um, why can't we get a Mirage pool back.

40 I see?---But the Board, the Board couldn't basically tell them what to have. We should give them as best as we can like for like.

I see. Could I just draw, go further up the page under the subheading "Background."?---Yes.

It says, "With Board's experience managing claims at Appin it was found that calling publicly for tenders above 20,000 led to the following and

you've outlined their various difficulties that appear to have been experienced in relation to the public tender process and the way I read that document suggests that you did have some experience in relation to the public tender process, is that right?---No, I think that refers to actually tenderers that weren't on the tender list because the tender list at that time when I first started was extremely limited and Appin was having a lot of problems with um, tradesmen not turning up and doing dodgy work.

Appin was within the purview of the Picton District Office?---Correct.

10

You started at the Picton District Office in November 2003?---I did.

In April 2007 you're saying the difficulties have been experienced in relation to the public tender process, that's what you're saying isn't it? ---Yeah, but that's not advertised tenders, that's just Picton tenders, tenderers.

20

So when it says it was found that calling publicly for tenders above 20,000, that's not right. What it means to say, you're saying now, is that calling publicly for tenderers above 20,000 led to various difficulties?---Correct.

Well, it's not what the document says is it?---No, it doesn't.

But it gives an impression, doesn't it, that you had been involved in calling publicly for tenders, that's what it says?---I mean, that's your impression.

Oh, the word used, sir, by you is tenders not tenderers?---The Board never publicly tendered work.

30

Well, it gives a clear impression, does it not, that you had been involved in the public tender process?---I don't know.

Was this an attempt to mislead the Board that you had in fact been involved in the public tender process when you hadn't?---No.

I tender that document, Commissioner.

THE COMMISSIONER: Yes, that will be Exhibit T40.

40

#EXHIBIT T40 – MSB MINUTE DATED 19 APRIL 2007

THE COMMISSIONER: Mr Bullock, a short time ago in answer to a question from Counsel Assisting you said "I don't know". What is it that you don't know whether or not you've been involved in public tendering? ---Well, well, I – you'd have to give me the question again, Commissioner, I don't - - -

Well, the question from Mr Naylor was wasn't this minute giving the impression that your office and under your direction and supervision was involved in calling for public tenders and you said - - -?---We weren't.

- - - "I don't know."?---We weren't.

You say you weren't?---No, we weren't. Like I said we've never – public tenders has never happened in the Board to my knowledge.

10

Right. Can you just direct your attention to the words immediately under the heading "Background" in that document and it says, quote "With Board's experience managing claims at Appin," now that was your office's responsibility was it not, the claims at Appin?---It was.

20

"It was found", past tense "that calling publicly for tenders led to the following" and then there are a range of problems that are listed. Can you explain to me how that can sensibly be read as anything other than an assertion that the office at Picton had engaged in public tendering?---I, I can't answer with – because I don't even remember writing this minute to tell you the truth.

I don't care whether you remember it or not, I'm asking you how you can - - -?---Maybe that was before my - - -

30

Let me finish, please. I'm asking you to explain how that can be sensibly read in any other way?---Maybe it was before my time I was referring to, I don't know, I don't remember, with the previous district manager. I'd look back at his point at the time, I don't remember when I wrote - - -

This is April 2007, this is four years after you started?---But Appin had finished years and years before that. Appin finished back in 2004.

I don't care when Appin finished, I'm saying this is four years after you've started and you say that this minute is somehow referring to what happened under a previous district manager?---It could've, I don't remember.

Go on, Mr Naylor.

40

MR NAYLOR: Might the witness is shown Exhibit T1, volume 5. Sir, turn to page 2093. Sir, that's the cover of the file for a property at 50 Rita Street, Thirlmere?---Correct.

Turn to page 2117. That and the following pages are a claim investigation report in relation to that property?---Correct.

Turn back a few pages to page 2111?---Yes.

That and the following pages up to page 2115 are a scope of works in relation to repairs for that property?---Correct.

Document prepared by you?---Yes.

You had carriage of the matter?---Yes.

You were the investigating officer?---Yes.

10 Turn to page 2119. Got that?---I have.

Mr Rawes was not the investigating officer?---No.

You prevailed upon Mr Rawes to sign this document as the investigating officer?---Yes.

The document, as signed by him is misleading, is it not?---I suppose so, yes.

20 All right. And you asked him to sign the document so as to avoid the limit on your financial delegation, did you not?---No.

Because the limit on your financial delegation at the time, sir, was where you were the investigating officer, you had a \$10,000 limit to approved claims but where the report was prepared by a district supervisor and it came up to you, you had a \$20,000 limit in respect of the approval of claims. That's right, isn't it, they were your financial delegations at the time?---Yes.

30 So the effect of Mr Rawes signing this document and circumstances to where you were the investigating officer was to increase your financial delegation or made it appear as though, you had a financial delegation to approve claims up to \$20,000, whereas in fact, at the time, you only had a, or rather \$50,000 in respect of Tahmoor claims, whereas at the time you only had a financial delegation up to \$10,000. That's right, isn't it?---Yes.

Right. And you did that deliberately in order to circumvent the financial delegations?---To speed up the process. Because Mr [REDACTED] was about to rent the house out.

40 Did, did you - - ?---Yes.

- - - do it deliberately to avoid the processes and the limits on your financial delegations?---No, I did it to keep people happy.

So you did do it deliberately?---I did it deliberately, yeah.

Right?---To keep people happy.

To keep people happy, are you sure about that?

THE COMMISSIONER: Is this to keep the client happy?---To keep the client happy. The client was, had, wanted the house, he lives at Griffith and he had, he wanted the house fixed because he was losing rental income because he rent it due to the mining damage and he wanted it done in a hurry and, um, that's what I did.

10 MR NAYLOR: You knew did you not at the time that you deliberately circumvented the financial delegations by imposing upon Mr Rawes to sign this document, that Mr Cole-Clark would be coming to the office later that day?---No. I've checked my diary and he wasn't coming that day.

20 All right. I'll show you Exhibit T9. Exhibit T9, sir, you've heard some evidence about from Mr Rawes, is a diary entry that he prepared in respect of this matter on 12 July, 2013 and I direct your attention to the second handwritten paragraph which says "GCC was coming to office at lunchtime". You disagree with that do you?---I disagree. I've got my diary in my bag there and I've got no such diary entry and Greg would, would not be going just to see John. He was always coming – Greg – if Greg was coming to the office he was coming to see me none of the others.

So you're suggesting, you're suggesting that Mr Rawes just made up this note?---I don't know whether he made – I can't speak for Mr Rawes but I can speak for what's in my diary and I have no such entry.

THE COMMISSIONER: Well, Mr Bullock - - -

30 MR NAYLOR: I'm not asking about what's in your diary. I'm sorry.

THE COMMISSIONER: Yeah. Mr Bullock, I mean, look, I'm sorry but this is something that you are repeatedly doing which is making it very difficult for us to conclude your evidence. You're not answering the question. We're not asking you what was in your diary. You may not have had a note about Mr Cole-Clark's attendance that day. The fact that it's not in your diary doesn't prove that Mr Rawes's entry is therefore wrong. What you were asked was do you dispute that Mr Rawes made that entry in the diary - - -?---I do dispute it.

40 What, you dispute that he made it honestly do you?---How do I know? Mine is different to his so - - -

No, sorry. Please understand me, Mr Bullock. If you want to make an allegation that Mr Rawes has fabricated that entry in the diary think carefully before you do that?---How can I comment on something that I didn't write?

Well, that's my point precisely. That's why I want you to be careful about how you answer these questions. Mr Rawes made an entry in his diary. Are you saying that that entry is deliberately false or are you saying you simply don't know?---I don't know because I didn't write it.

Thank you. Now, what follows from that is that Mr Cole-Clark may well have been attending the office that day, you simply don't have an entry in your own diary. Is that a possibility?---Yes.

10 Thank you. Yes, Mr Naylor.

MR NAYLOR: And you deny do you that you were aware that he was attending the office that day?---Based on the evidence in my own diary - - -

I'm not asking you what's in your diary, sir. I'm asking you what's in your head at the moment?---I don't remember Greg turning up that day.

20 All right. And see, Mr Cole-Clark had an appropriate delegation did he not to approve this claim if you were the investigating officer. Do you disagree with that proposition?---No, I don't disagree with that proposition.

Right. So it would have been – if it's the fact, if it's the fact – assume this, if it's the fact that he was attending the office later that day it would have been terribly easy I would suggest for him to have been provided with the document so that he could turn his mind to whether or not he could approve it and if he wanted to approve it he could do it later that day and there would be no hold-ups. That's - - -?---Well, that's true.

30 Right. And if it's the fact that he was attending later that day as Mr Rawes's diary note suggests then the only explanation for you prevailing upon Mr Rawes, getting him to sign the document was that you didn't want Mr Cole-Clark to see it?---No.

And you were trying to hide something from Mr Cole-Clark?---No.

Pardon me, Commissioner. Go to page 2110. That's a quote by Plantac isn't it in relation to repairs for this job?---Yes.

40 Dated 1 August, 2013 in the sum of \$41,660 plus GST. If you go forward to page 2105, have you got that?---Yes.

That's a document dated 3 September, 2013, the following month signed by you, the contractor is – it's a variation to contract document, the contractor is named as Plantac, the tendered price the same as what's in the quote, 41,660 and then this document is the approval of a variation, I'll come to that in a minute, but that would rather suggest wouldn't it that Plantac had been selected as the tenderer?---It would, yes.

Right. You would expect to see, wouldn't you, on the file tenders from other prospective tenderers who were invited to tender for this job?---You would unless I'd spoken to Greg and he'd let us go with one tender under his delegation. There is other circumstances.

In which case you'd expect to see on the file some evidence of him exercising that authority?---You would. Is this a complete file though, electronic and paper?

10 Sir, I'm just – just answer my questions if you wouldn't mind?---Okay.

The first, the first question was this, if the usual process had been followed three quotes would have been sought?---Yes.

Right. And if there's an absence of three quotes from the file, in this case there's only one quote on the file, that would suggest the process was not followed?---Based on this file.

20 Right. And what you're suggesting is that if there was some relief from the usual processes which required three quotes Mr Cole-Clark could provide that relief?---Yes.

Right. And I'm suggesting to you that if indeed that occurred there would be some document on the file indicating that Mr Cole-Clark had provided you with some exemption from the requirement for three quotes?---Yes.

Right. And the absence of any such evidence on the file suggests that you didn't in fact obtain that relief?---On this file here in front of me it does.

30 Yeah. In which case if there was a requirement for three quotes to be obtained you've breached that requirement?---Yes.

Right. Now we've got the quote from, we've got the quote from Plantac on 1 August, 2013. We know that by 3 September, 2013 they'd been selected. Go to volume 3 of T1, page 1069. I'm taking you, sir, to the tender register book?---Okay.

40 I've actually taken you back, a few pages back to matters in June, 1069 is for a property at 9 Elphin Street, Tahmoor with a closing date for the tender of 26 June, 2013 and just go over the page, keep going over, go all the way over to page 1073. There's no mention here is there of any the property at 50 Rita Street, Tahmoor?---No.

All right. So there was a failure to comply with the process that required the tender register book to be noted, assuming the tender process was complied with?---Yes.

Right. Because what it appears to have happened is that based on the documents that are available is that there was no tender process. What would appear to be the situation is that one single quote was sought from Plantac, that's all?---It appears that way.

Right. And that, that, that would be a fairly gross breach would it not of the procedures?---Unless Greg signed it off.

That wasn't my question, sir?---Yes.

10

Let's have a look, sir, at page – pardon me, page 2105, I'll take you back to that page first of all, it's the variation to contract, and that says there that there was a variation in the sum of \$13,164 and it seems to have been approved by you?---Sorry, that's in the other volume is it?

Page 2105, yes, I'm sorry, I've finished with volume 3. Go back to volume 5. Got that?---Yeah, I've got that, yeah.

20 See the – you appear to have approved a variation in the sum of \$13,164?
---It appears that way, yes.

You didn't have a financial delegation to approve that variation did you?
---No.

No. Go to page 2099. You see that's a tax invoice from Plantac dated 3 September, 2013?---Correct.

30 And it invoices among other things – well, it invoices for the contract price but it also invoices for a single variation in the sum of \$19,844 plus GST and if you need to look at it the details of that variation are set out at page 2107. You see that?---Yeah, I'm just reading the variation. Yes.

You exceeded your financial delegation again didn't you?---Yes.

Right. Go to, the same volume, page 2129. So this is a file for a property at 1 Connor Place, Tahmoor?---Yes.

40 I'll take you first of all to the claim investigation report which is at 2156?
---I've got it.

And then go back, please to page 2148?---Ah hmm.

See that's a scope of works?---Correct.

That you've prepared?---Yes.

You had carriage of this claim, did you not?---Yes, I believe so.

Yes. Go back to the claim investigation report at 2156?---Yes.

Go over the page to page 2158?---Ah hmm.

Once again, you've prevailed upon Mr Rawes to sign as the investigating officer when he wasn't the investigating officer and you were the investigating officer?---Yes.

10 And you did that for the purpose of avoiding the limit on your financial delegation, which in the circumstances was \$10,000 because you were the investigating officer?---I believe in this case too, I may have been the acting CEO in this case, but I'm not sure, I'd have to check.

That wouldn't have provided you with an excuse to have Mr Rawes sign the document and purport to be - - -?---No, and no it wouldn't but I'm - - -

- - - the investigating officer when you were the investigating officer?---No.

20 Right. And the purpose of you doing so was to enable you, or at least to give the impression that you could exercise a financial delegation that you were not entitled to exercise?---Correct.

Right. And you did that so that you could favour Plantac?---No.

30 All right?---In this case here, I did it because, if you look at the dates, it was right after Christmas. These people were going away, um, and we also had, there's, there's emails here from the council that we had to tie the works in with their works on the roads in Connor Place and I rung around the contractors, because a lot were away at the time due to the Christmas break and I had to find contractors who were available that could do the work - - -

All right?--- - - - in that time.

The previous file that I had showed you, the 50 Rita Street, Thirlmere file and a similar thing had happened and I'd - - -?---Mmm.

40 - - - asked you some questions about that. You've prevailed upon Mr Rawes to sign that other claim investigation report and thereby enable yourself, or give the impression, that you could exercise a financial delegation that you didn't have for the purpose of favouring Plantac, that's right?---No.

All right. And just go to 2145. That's a quote by Plantac dated 29 January, 2014 in the sum of \$45,540 plus GST, see that?---I do.

And over the page there's a quote by A&DJ Building Services same date \$45,850 - - -?---Correct.

- - - plus GST. No other, no third quote appears to be on the file, Mr Bullock. If these documents represent a full copy of the file, that was a breach of the procedure, wasn't it, which required three quotes?---Yes.

Go to page 2144. And this is your minute dated 30 January, 2014, selecting Plantac or recommending that Plantac be selected as the tenderer. It rather tends to confirm that there were only two tenderers, doesn't it?---That's correct.

10 All right. Have you still got volume 3 there, sir?---Um - - -

It's the tender book?---Yeah.

Page 1077. So what we're looking for, sir, in the tender book is a note of the tender for 1 Connor Place somewhere between about 29 January, 2014 and 30 January, 2014. I've taken you to a page which starts I think at October, 2013, 1074. Just go over?---It doesn't seem to be there.

20 No. That's a breach, another breach of the procedures in relation to the tendering process isn't it?---Based on what's in the tender book, yes.

Yes. Go back to volume 5 please, sir. And go to page 2178. That's the cover of a file for a property at 7 Connor Place, Tahmoor?---Correct.

And behind it are the documents in relation to that file. Go to page 2252. That's a claim investigation report that you have prepared as the investigating officer in relation to this property?---Correct.

30 And on this occasion according to page 2254 you sent the report up to the subsidence risk engineer to be approved?---Yes.

Go to page 2221. Pages 2221 to 2223 are letters that you sent to three building contractors inviting them to submit tenders?---Correct.

Including Plantac at 2223?---Yes.

Go to page 2211?---Yes.

40 That's the tender submitted by Plantac is it not?---It is.

In the sum of \$14,200?---Yes.

Go to page 2187. This, sir, is an invoice submitted by Plantac dated 8 September, 2014 in which Plantac invoices for the original contract price, 14,200 together with a total of six variations, the total amount of which is \$10,789 plus GST?---Correct.

The total of the invoices \$27,487.90?---Yes.

Go to the previous page please, 2186. That's a document in which you have approved payment of the invoice?---Yes.

You didn't have a financial delegation to approve that variation, the total of which was \$10,789 did you?---There's six variations there.

10 Are you suggesting, sir, that the variations were split?---All as I'm saying is I notice there's variation 1, 2, 3, 4, 5, 6. If you total those, yes, I didn't have the variation, the delegation to approve them as one.

Okay. Go to page, it's a bit hard to read I'm sorry, page 2285 and it's the front of a file for a property at 336 Moreton Park Road, Douglas Park?
---Yeah, I've got that one.

Pardon me. Is Douglas Park in the Tahmoor area, sir?---No.

20 Right. The \$50,000 limit for selected tenderers didn't apply in the Douglas Park area did it?---No.

The limit for selected tenderers in the Douglas Park area was \$20,000 wasn't it?---Um, well, depends what lists they were on, I guess, because it went up to 150,000 selected tenderers.

30 Sir, there was never an increase by the Board on the limit for selected tenderers except for the Tahmoor area and that was up to \$50,000, that's right isn't it?---I think there's two different issues, there's the select tender list which they've tendered to do works up to a certain amount and then there's what I can approve in a certain area, I think there's a bit of confusion there is there?

No, sir. The list of selected tenderers that applied in relation to the Douglas Park area was \$20,000 was it not?---I don't think that's correct.

Right. Now this is a fairly voluminous file, sir, it starts at that page 2285, it goes through to the end of the bundle, I don't need to take you to all of it but if I can take you first of all to page 2424?---Yes.

40 So what's seen, this is a note or a minute paper prepared by you dated 30 September, 2013?---Ah hmm.

And it would appear that this property had been significantly damaged by mine subsidence?---Correct.

And that your recommendation at the bottom of the page was for the CEO to determine if the property is to be repaired and sold with an outlay of 60 to \$80,000 for repairs or to demolish home for 20,000 and sell the vacant land - - -?---Yes.

- - - for 350,000 and the papers that are behind that minute paper seem to indicate that over a period of time there had been emergency repairs and there had been negotiations with the owners about purchasing the property?
---That's correct.

And at page 2423 Mr Cole-Clark seems to sign a minute paper which starts at the previous page. "The preference is to consider repair of this property to a saleable condition given the cost of repair, demolish are similar." You see that?---Yes.

The top of page 2423?---Yeah, yeah.

So we're heading down the repairs track?---Ah hmm.

And if you go to page 2375?---Yes.

This is a scope of works for the repairs?---It is.

20 And that's a scope of works prepared by you on 6 February, 2014?
---Yes.

All right. And page 2360 - - -?---I've got that page.

- - - you invite tenders from three building contractors, Asset Trade Services, M Burton Building Company and Plantac, see that?---I do.

And then at page 2357 that would appear to be a tender from, it says M Bruton Building Company, your letter, your letter was addressed to
30 M Burton Building Company but the tender is from M Bruton Building Company?---Yeah, it's the same place, I know um, I've had discussion with the girls in the office and I think on some of the tender lists it's - the, the R and U are reversed or whatever or that so - that's my recollection, it's just a typing error on, I think, the Board's part.

Okay?---It's the one and the same company.

So you're suggesting the error on the letter that is over your hand was an error on the part of whomever typed the letter?---Which would be based on
40 the initials on the top of the letter. That would be Kim Reid. The two initials up the top, DB is me, KR is Kim Reid.

Did you, did you cheque your letters before they went out, sir?---Yes, I do, yes, but um - - -

You didn't check this one very carefully then did you if you're blaming the error on someone else?---I - the other thing is too, I think the error is

actually in – if you look at the actual preferred tender list I think the error is in there as well is my recollection.

You're saying the real name of the company is – see your letter says M Burton?---Yes.

And you're saying that's an error?--- Yes.

10 And you're attributing the error to whomever typed the letter?---Yes.

Not your error?---No, because I - - -

You don't take responsibility for that error?---These letters are generated off the – out system by – the girls type these letters. We just um – they prepare the letters not myself. I just sign them.

20 What do you mean generated off the system?---Well, they're linked in the DocuMap system. They're a standard template and the, the, the girls would have got that address off the select tender list. That's why.

Okay. Well, go to volume 2 which is page 496. This is a tender dated 16 February, 2014 and I am showing you the tender list for the period from June, 2013 to June, 2015?---Ah hmm.

You see towards the bottom M Bruton Building Company?---Correct. The same company.

30 Well, that's – no, that's different, sir, from what's in your letter M - - -?
---It's just a spelling error.

You're saying there's a spelling error in the list of selected tenderers and it should read M Burton Building Company?---No. What I'm saying is, is that the only thing I can see wrong is in the letter we sent out on that day.

THE COMMISSIONER: So we're just asking where the error is. Is it in the, is it in the list - - -?---It's in the letter we - - -

- - - of tenderers or it is in the letter?---It's in the letter.

40 MR NAYLOR: But you just said that the letter is automatically generated from the list of selected tenderers and the list of selected tenderers says M Bruton & Company?---I can't explain it. I didn't type the letter. It's something I can't explain.

You don't take responsibility for the error in the letter?---No, I don't.

Right.

THE COMMISSIONER: Do I take it from what you've just said, namely, I can't explain it, that your previous explanation that it was some mistake on the part of the person who typed the letter - - -?---Yeah.

- - - that that was just a guess was it, that was just an assumption on your part which you can't actually vouch for one way or the other?

---Commissioner, I don't see why this is such a big problem when it's just two letters reversed in a letter. The address is the same.

10 Well, let us be the judge of that, Mr Bullock?---Okay.

I'm just asking you whether your earlier evidence that this was a typing mistake made by one of the girls in the office that that was simply a guess or an assumption on your part but it has no foundation in fact because you've just told us that the letters are generated from the selective tender list?

---That's my - - -

So which is it?---It's a mistake from one of the girls.

20 So you're sticking to that are you?---Yeah. Well, it's a mistake by Kim Reid to be precise based on her initials at the top of the letter so I can tell you which girl.

MR NAYLOR: You're now blaming Kim Reid?---Yes.

All right. Pardon me. And go, sir, to page 2351. That's the tender submitted by Asset Trade Services Pty Limited?---Correct.

30 Go to page 2349. That's the tender submitted by Plantac?---Correct.

In the sum of \$48,950 plus GST. That's right isn't it?---Correct.

All right. Go to page 2348. It's a minute prepared by you recommending that Plantac's quote be accepted?---Correct.

Were you present when Mr Inskip gave evidence?---I think for a lot of it, yes.

40 Were you present when he gave evidence to the effect that prior to his quote being submitted you communicated to him the lowest of the other two quotes?---I heard him say that, yes.

That's the truth isn't it?---Pardon?

That's the truth isn't it?---No.

You deny that, that you communicated to Mr Inskip before he submitted his quote what the lowest of the other two quotes were?---Yes, I do. I deny it.

Because that would have been a breach of your obligation to keep confidential quotes which had been submitted during a tender process?
---Yes, it would have been a breach, yes.

All right. Pardon me, Commissioner. I'll just take you back, sir, to page – to volume 3, the tender register books, in particular page 1078?---Ah hmm.

10 And you'll see there at page 1078 is indeed a note in the tender book about this particular job?---I do.

And the quotes by Plantac, says M Burton Building Company and Asset Trading Services are all listed there. See that?---Yes, and the same spelling error has occurred hasn't it with their - - -

I haven't asked you about the spelling errors. They're listed there are they not - - -?---They are.

20 - - - with the tender prices?---They are.

Right. And it says the tender closing is Thursday, 20 February, 2014. That's right isn't it?---Thursday - - -

That's what it says?---That's what it says there.

Right. And the usual closing time for tenders was 2.00pm wasn't it?---Um, it varies.

30 Was that the usual time at which tenders closed?---In the majority of times, yes.

Right?---This tender closed at 2.00pm.

I'm sorry, sir?---This tender closed at 2.00pm. It's in the letter sent out to the contractors.

40 Thank you. Pardon me, Commissioner. All right. I want to show you a document. You won't have seen this document before, sir. This is a record of and it's called call charge records. It's a record of communications between your mobile phone and Mr Inskip's mobile phone between the period 18 February, 2014 at 8.06am and 20 February, 2014 at 9.01pm, see that?---I can't understand what I'm looking at, sorry, sir.

Well, just I've told you what the document describes. It's a record of phone calls between you and Mr Inskip between 18 February, 2014 and 20 February, 2014?---Those phone - - -

Take it from me, sir, that that's what the document describes?---Can I say these phone numbers aren't my phone numbers, at the top. I don't have this phone number.

You, you held a phone number, did you not of 0-4-2-5-2-7-5-5-6-7?---But there's lots of other numbers on here as well?

Just answer the question?---Sir, I don't understand what I'm looking at, sorry.

10

THE COMMISSIONER: Mr Bullock, just take it one step at a time. The question you were asked a moment ago, which you haven't answered, is you held a phone which was, I assume issued by the Board that carried the number 0-4-2-5-2-7-5-5-6-7. Is that the number of the phone that you used?---Yes.

Thank you. Yes, Mr Naylor.

MR NAYLOR: And Mr Inskip's telephone number was
20 That's right, isn't it?---I don't know his phone number off the top of my head. But I presume it's right if you're telling me it's right.

All right.

MR CHEE: Could I seek an non-publication order in respect of those telephone numbers?

THE COMMISSIONER: Well, certainly. There's been one already made
30 in general terms in relation to any identifying information as far as Mr Inskip's phone is concerned. But this is a number that's pertaining to the Board. Do you want that suppressed Ms Hogan-Doran? It's a Board phone as I understand it. The number may well still be in use, I don't know.

MS HOGAN-DORAN: It's not in use, Commissioner.

THE COMMISSIONER: All right, thank you.

MS HOGAN-DORAN: We don't have any need for it to be suppressed.

40 THE COMMISSIONER: Thank you. Did you have Mr Inskip's number recorded in your contact list in the phone that you used for work, Mr Bullock?---Yeah, I did.

Thank you.

MR NAYLOR: So let's just go back, sir, to the file that, in relation to 336 Morton Park Road that I was taking you to?---Yes.

You'll see I'd taken you to the tender submitted by M Bruton Building Company at 2357 and it's, you got that?---I have.

And that's signed with a date 16 February, see that?---Yeah, and Mr Burton's signature, yes.

I'm not asking about the signature, I'm just asking you about the date - - -?---
Yes.

10 - - - 16 February. And go, go back a little to the tender submitted by Asset Trade Services, 2351, below what would appear to be the contractor's signature rather faintly, is the date 18 February, 2014?---Correct.

That quote, Asset Trade Services at \$50,332.83 is the lower of the two quotes, is it not?---Yes, that's correct.

Right. Sir, and the document that I've shown you shows phone contact between the number allocated to Mr Inskip and your telephone number between 8.00am on the 18 February, 2014 and 20 February, 2014 at 9.01am,
20 see that?---(No Audible Reply).

You can see, sir, can't you that - - -?---I can't - - -

- - - your number and Mr Inskip's number is there and what it indicates is that there's a call from one phone to the other at various times?---I don't see the 9 o'clock one that you're referring to.

Last line?---Ah, it's not highlighted? I thought I was only looking at the highlighted?
30

No, please don't just confine your attention to the highlighted, please look at the entire table, you see that?---I see that, yeah.

All right. And I want to suggest to you, sir, that during one of these calls you communicated to Mr Inskip the tender quote which was submitted by Asset Trade Services?---No.

You disagree with that?---I disagree.

40 You're lying, aren't you?---No, I'm not.

All right. Might the witness be shown T5, Exhibit T5. I can indicate, Commissioner, that the original of this document is coming into the hearing room, I don't have it right at moment.

THE COMMISSIONER: Thank you.

MR NAYLOR: Sir, what you're being shown is a copy of envelopes in relation to this tender. The originals will be provided to you shortly. Were you present, sir, during Mr Montgomery's evidence?---I was.

And you heard Mr Montgomery give evidence to the effect that he retrieved the envelopes in which the tender forms were submitted after the tender box was opened and he observed that there was sticky tape on the two envelopes that were not the envelopes containing the Plantac tender?---Yes.

10 You heard him give that evidence?---I heard him give it, yes.

And I suggest to you, sir, what happened, what happened was that before the tender box was opened, you accessed the tender box, opened the envelopes for Asset Trade Services and then Bruton Building Company looked at the prices and then telephoned Mr Inskip and told him what the lowest of those two prices were, being the Asset Trade quote. That's right, isn't it?---No.

20 All right. Just while that's coming into the hearing room, I'll just take you to another part of this file. Go to page 2301?---Um, sorry, while file am I in, sir?

Right. You're in file number 5. This is the Morton Park Road file. Have you got that?---I'm getting there. Finally there.

It's a Plantac invoice dated 26 May, 2014, is it not?---Ah, is, yes.

30 And you can see on the invoice it notes what the original contract price of 48,950 which corresponds to the tender form at page 2349?---Yeah, it does.

So this is an invoice for the final component of the original tender contract price, so that final component is 8,950, but it also invoices for variation 1 in the sum of \$16,686 plus GST. See that?---I see that, yes.

And go to page, the page before it, 2300. You've approved payment of that invoice, have you not?---I have.

40 Right. You didn't have a financial delegation to approve that variation, did you?---No.

Right. I'm just going to have shown to you, sir, the original of the envelopes that I've just asked you some questions about. They're in plastic sleeves, I'd ask you to keep them in the plastic sleeves?---Some are stuck together but it doesn't matter too much to me, I don't, doesn't mean much, anything to me so - - -

I've already put to you the proposition, sir, that you deliberately opened those envelopes by accessing the tender box, conveyed information to Mr

Inskip and then sealed them up again with sticky tape and conveyed that information to Mr Inskip. That's, that's what happened, isn't it?---No.

Right. And when, when you deny that today, you're telling a lie, are you not?---No, I'm not.

Excuse me, Commissioner.

10 Sir, you can put to one side folder 5. Pardon me. And I'll hand you a, have handed to you, sir, a copy of a file in relation to a property at 47 Abelia Street, Tahmoor. And if you can go first of all, sir, to page 277. That's a Claim Investigation Report?---Correct.

And the investigating officer was John Culbert?---That's correct.

And you'll see at page 278 Mr Culbert has formed the opinion that the damage in relation to this property caused by mine subsidence was severe? ---Ah hmm.

20 And then over the page, 279, Mr Cole-Clark has signed off on this document dated 16 September, 2009, saying that, "The structure is repairable, it may be cost-effective to re-level, it is recommended a provision of \$120,000 be approved for repairs." Do you see that? ---I see that, yes.

And go to page 273 and also 271. What appears to have happened in this case, sir, is that because of the severity of the damage, the Board agreed to purchase the property and then effect repairs and then sell it on?---That's correct.

30 Right. And at page 177 is a, is a letter from the tenants to the Board stating that on 1 June, 2012 they vacated the premises?---Correct.

And could you then go to page 153. It's a bit hard to read the type but that's the page number I'm sorry?---Yeah, I've got that now, the - - -

So that's the scope of works that you prepared in relation to the repairs to be done to this property?---Yeah, it is. John Culbert I think retired just before I did that so I took the job over from him.

40 Okay. And then go to page 140. You've invited a tender from M Bruton Building Company?---Yeah.

And then the previous two pages you also invited tenders from Plantac - - -? ---Correct.

- - - and also A&DJ Building Services?---Correct.

If you can go to page 132. You received tenders from, a tender from A&DJ Building Services in the sum of 56,100 plus GST?---Correct.

And go over two pages to 134?---Correct.

You received a tender from Plantac Pty Limited?---Correct.

10 If you go over the page or two pages to 136, you see that, that would appear to be a tender form from M Burton Company?---I actually remember this when it came out, it's - - -

Just answer the question, please, Mr Bullock?---Yeah, it does, yeah.

That would appear to be a tender form from M Burton and Company, yes?
---Yes.

Right. Although it doesn't appear to be signed does it?---(No Audible Reply)

20 It's not signed is it, that's the question?---It's signed in a place, the witness place I can see.

The contractor doesn't appear to have signed it?---No, they don't.

No.

THE COMMISSIONER: And it's Burton, not Bruton?---Yeah. And Commissioner, can I just talk about this, can I?

30 No, no.

MR NAYLOR: No.

THE COMMISSIONER: You don't do that, you answer questions but I just want to confirm that this is, this is meant to be as I understand it the self-same company Bruton which appears on the selective tender list except, except somebody's written Burton?---Mmm.

40 One would have assumed that that might be, have been written by the contractor himself?---(No Audible Reply)

Well, he's putting in the tender isn't he?---Mmm. You'd assume that.

What, so the contractor doesn't know how to spell his own name?

MR NAYLOR: Let's just have a look at that form, shall we? 136 as the Commissioner notes M Burton and Company which is different from the

name that appears on the selected tenderers list isn't it?---Yeah. It does, yeah, there's confusion with this all the way around.

What I'm going to ask you to do, sir, at the same time while we're looking at this form I'll ask you to be handed back or if you already have it, folder 5 of T1, go to page 2357?---57 is it?

2357. Look at 2357, that, that was the – one of the tender forms that I just took you to in relation to the previous property, 336 Moreton Park Road?
10 ---Yeah.

And that's a tender form with a – from M Bruton Building Company and it's got a stamp on the top of it, M Bruton Building Company and the address?---Yes.

And you can see on that form that workers compensation public liability insurance information is there as well as the signature and date?---Yes, that's the point I was just about to make.

20 And – just answer my questions, sir. Let's go back to the tender form that I was just showing you in respect of 47 Abelia Street, page 136, there's a number of differences are there not between the two forms?---Thousands.

Leave, leave aside the fact that they're different properties but the handwriting is quite different is it not?---I agree everything's different.

Right. There's no stamp from the building company, M Bruton Building Company?---Which I'd picked up when they opened the tenders.

30 Just – if you can please confine yourself to answering my questions, generally it will just require a yes or a no. There's no information there about insurance is there?---Correct.

Right. There's no signature of the contractor is there?---Correct.

Right. And what I have to suggest to you, sir, is that you forged this document at 136, the tender form that would appear to be a tender form from M Burton Company, you forged this document and you handed it to Mr Inskip when you were on site meeting in relation to this particular job,
40 that's right isn't it?---No, because when this document was opened I got Kim Reid to check with the company because I felt someone else had forged it and I got her to check with Mr Burton's company which one was correct and Kim came back to me and said that this document is from someone else in his company, that was the answer Kim Reid responded to me, I got her to check and I said to Kim this doesn't look right and I specifically went back to 336 Moreton Park Road and I said I find this extremely unusual because they use a stamp on their invoices and I think this is around the same time

when the tender box was tampered with and I addressed that issue with them.

THE COMMISSIONER: Can I just ask you, Mr Bullock, following on from that answer if you were so uncomfortable with the legitimacy of this tender why did you include it in the tender process? Why was it in fact used as one of the amounts by which the tender process was to be conducted? ---I don't understand your question, Commissioner.

10 Oh, it's pretty simple. If you didn't, if you didn't think this document was genuine why was it ultimately treated as genuine for the purposes of the tender process?---Because I got Kim to confirm it with the company and she told me that they'd sent it in.

Well, sorry, that doesn't answer my question. You said that even after she checked you were very uncomfortable with this document and you didn't regard it as genuine?---And when I looked at the prices it wasn't really, it didn't really matter too much because I think it's either the second or the dearest tenderer so it didn't really - - -

20

All right. So do I understand you to be saying that notwithstanding your doubts about the legitimacy of this tender you nonetheless included it in the tender process, is that what you're saying?---Yes.

Thank you.

MR NAYLOR: I want to suggest to you, sir, the explanation you have just given concerning the conversation that you had with, with Ms Reid and your concerns about whether or not this document was legitimate or kosher is
30 entirely fabricated?---No.

It's just lies?---That's the truth.

Because the, the truth is, sir, that you wrote this document out perhaps using your left hand, I don't know, but you wrote this document out and you handed it to Mr Inskip on site when you were meeting with him and Mr Salmon in relation to this job, that's right isn't it?---That is a total lot of crap.

40 And you invited either of them, and Mr Inskip took up the invitation, you invited Mr Inskip to submit this as a dummy quote when he submitted his own quote, that's right?---It's not right.

You invited him to include the amount and that's what he did but you had written out the contents of this?---No.

Right. Put that file to one side and you can put to one side also volume 5. Pardon me, Commissioner. Sir, I'm not going to take you to any more

property files but it's very apparent from what you've said in your evidence that on numerous occasions you breached your financial delegations did you not?---That's true.

All right. Sir, when you were appearing before the Commission on 12 December, 2014 – the transcript of that compulsory examination, Commissioner, is T22.

THE COMMISSIONER: Yes.

10

MR NAYLOR: I'm looking at page 80. Sir, you were asked this question, line 8, "If we go through Mine Subsidence Board files we will – will we find any instances of you breaching procedure in favour of Plantac?" Answers, "I really don't know. I'd have to – I don't believe so." The last part of that answer was false wasn't it?---Well, at that point in time I didn't believe I had breached any part of their procedures.

The last answer that you gave, "I don't believe so", was just a lie wasn't it? ---That was my best recollection at that point in time.

20

You - - -

THE COMMISSIONER: Mr Bullock – sorry, Mr Naylor. Mr Bullock, I really am having some trouble understanding this because for most of yesterday your evidence in explanation for how these various procedures that are contained within the Board documents were not complied with was that you brought to Mr Cole-Clark's attention on numerous occasions the total unsuitability of those policies and procedures from the point of view of the Picton office and that to your knowledge the Picton office had never
30 ever operated by way of public tender processes nor had they ever, ever treated variations in terms of separate items but that it had all effectively been treated as one variation. Now, there were numerous occasions when you said that Mr Cole-Clark was made aware of these issues and that he said to you I like the way you work. Get the job done. Whatever you need to do just get the job done. Now, in the face of all of that evidence yesterday I'm having some trouble understanding how you could have said back in
40 December last year that as far as you were aware you did not breach any of your financial delegations. Can you explain that to me?---Because the CEO was quite aware what was going on a lot of the time that we were getting the job done.

No, no, no, you're missing the point, Mr Bullock. Please?---I can't see the point.

Well, let me try again and focus if you could on my question. In the face of all of your evidence yesterday, that is, that everybody including Mr Cole-Clark knew that the Picton office was repeatedly ignoring the financial delegations in the Board's documents over a, over a number of

years, how was it that in December last year you told this Commission that as far as you were aware you had not breached your financial delegations? The answer that you gave in December last year was on any view patently false was it not?---No.

All right. Sorry, Mr Naylor.

10 MR NAYLOR: Your – you’ve given evidence yesterday and today that you breached financial delegations?---Based on the information you put to me - -
-

No - - -?--- - - - yes, I have.

All right. And the first thing I’m suggesting to you is that when you gave evidence in December last year you could not have failed to recall that you breached those financial delegations and to suggest otherwise is nothing but a lie?---It’s not a lie.

20 All right. You have given evidence today that – and yesterday as well that you prevailed upon both Mr Montgomery and Mr Rawes to sign claim investigation reports as investigating officers when they were not and you must have known at the time that you were doing that that that was wrong, that was not compliant with procedures was it?---It wasn’t complying with the procedures but I was doing my job to get the job done.

Whatever your reason was you were not complying with process were you? ---No.

30 Right. And you must have known about that at the time that you answered the question in December last year about whether or not you have failed to comply with the procedures?---It’s been going on forever so it seems normal to me.

It’s been going on forever. You mean to say you’ve been breaching procedure forever?---And the Board’s been accepting it.

40 All right. So when you were asked the question last December as to whether or not you’d breached procedure and you said, “I don’t believe so”, that couldn’t be anything other than just a pack of lies?---No.

MR CHEE: I object. The proposition has already been put to this witness on numerous occasions.

THE COMMISSIONER: Well, it speaks for itself. Yes.

MR NAYLOR: Sir, on the 17th of last month you had a conversation with Margaret MacDonald-Hill?---I’ve had conversations. I wouldn’t remember the date.

You had a telephone conversation with Mrs Hill – I think indeed she may have been in Broome at the time?---I do remember she did tell me she was in Broome, yeah.

All right?---I do remember.

10 And you said to her during that telephone conversation that you had done the wrong thing in exceeding delegations. That's right isn't it?---I – if that's why I said that must have been what I said. I don't know.

All right. I can't, I can't recall the exact words of the conversation.

All right. I'll show you a document?---That seems relatively correct.

What, what you're looking at, sir, is an email sent from Margaret MacDonald-Hill to Kylie Hargreaves?---Yes.

20 Mrs or Ms MacDonald-Hill is a member of the Board is she not?---She is, yeah.

All right. And as is Ms Hargreaves?---I – yeah, Ms Hargreaves I think started just before I left. I've never met her but - - -

Yes?--- - - - my understanding she is, yeah.

30 All right. And the, the fourth sentence which starts the fifth line down, "He replied" – referring to you – "He replied that he had done the wrong thing in exceeding his delegations to get his job done and keep things moving and had been asked by the CEO to take leave. He said the CEO had let him down and he had resigned"?---Yeah.

Is that an accurate report of what you said?---It's as accurate as I can remember, yeah. But it's probably not word for word but it's reasonably accurate, yes.

40 Right. And when you said to Ms McDonald-Hill that you'd been exceeding your delegations, what did you mean by that?---That was based on the acquisitions that ICAC had laid before me in a previous examination or whatever.

Did you mean to say that, when you said to her, you'd been exceeding your delegations, you'd been exceeding your delegations in respect of matters other than the matters that have already been put to you during this hearing?---No, not that I can recall.

You've answered, I think a question from the Commissioner a moment ago, I thought, that this has been going on forever and I had understood the

import or the effect of what you said to mean to say that these breaches of financial delegations have been going on forever, is that correct?---Yeah, as far as I know, I mean it reflects back to, I mean if you, if you have a variation on a job you really can't knock it back and say we're only going to tile halfway down your hallway if the hallway's going to cost more than your delegation. So you go, you go and do the job and that's what we've been instructed to do all the way along. I've been, it's been, nothing's ever changed in my, to my knowledge, so - - -

10 Does that mean to say, sir, that it's likely, it's very likely that if one was to look at other property files apart from those that I really asked you some questions about, it's likely that we would find similar breaches of delegations to those that I've taken you to already?---Yes, with different builders, yes.

Right. Yes, of course. I tender that email exchange, Commissioner.

THE COMMISSIONER: Can I just also ask you Mr Naylor, do you want to tender the phone records?

20

MR NAYLOR: I certainly do, I'm sorry, yes.

THE COMMISSIONER: Yes, that's all right. So the document evidence in the call charge records is Exhibit T41 and the document of the email of the 18 March, 2015 is Exhibit T42.

#EXHIBIT T41 - CALL CHARGE RECORDS FROM 18 FEBRUARY 2014 AND 21 FEBRUARY 2014

30

#EXHIBIT T42 - EMAIL FROM MARGARET MACDONALD-HILL DATED 23 MARCH 2015

MR NAYLOR: Thank you, Commissioner.

40 Sir, you were present in the hearing room when Mr Inskip gave evidence about an arrangement whereby you and he would be in attendance on site and he would show you some documents and you would note on the documents the amount that you wanted to receive in respect of that particular job, you heard that evidence? ---I heard him say that, yeah.

And that's the truth, isn't it?---No.

All right. And the way in which the arrangement worked according to Mr Inskip's evidence was that once you'd noted on the bottom of the document, the amount that you wanted to receive he then incorporated into a variation

invoice that particular amount so he would assign that amount, in the case of a single variation to a single variation amount in a variation invoice or if there were multiple variations on an invoice he would spread the amount out over the various, over the, over the variations and incorporate the amount that way. That's, and subsequently the invoices would be submitted to you for payment. That's right, isn't it?---That was his version.

I'm putting to you that that is the truth, sir?---No.

10 Right. And indeed the invoices that came into your office which incorporated the amount that you had designated for yourself in respect of the job were then approved by you, were they not?---Can you reword your question, please?

Mr Inskip's company submitted variation invoices to the MSB and included in those variation invoices was an amount that you had designated for yourself and I just explained to you the circumstances in which that designation was made and these invoices would be submitted to your office and they'd come across your desk and you'd payment of them, would you
20 not?---That I'd approve payment of his invoice.

Yes?---But there was no amount in there for me.

All right. You deny what the truth of Mr Inskip's evidence that he had incorporated into his invoices an amount that you had designated being an amount for yourself?---Yes, I deny that, yes.

All right. And his evidence was that that was a practice that had been going on since about, well, I think his evidence was for seven years, possibly
30 longer. That's right, isn't it?---That was in his evidence, yes.

Well, I'm putting it to you, sir, that that's the truth?---No, it's not.

And the truth is also, as Mr Inskip said, that this was your idea?---That's fabrication of Mr Inskip's I'd say.

All right. And the other part of the arrangement involved you making contact with Mr Inskip to tell him how much cash you wanted. You did make telephone calls and have other contact with Mr Inskip over the seven
40 years from 2008 to 2014 to tell him that you need cash?---No.

You told him that, did you not, on numerous occasions?---No.

Right. And you would refer, would you not, to the cash sometimes as 'the stuff'?---No.

And you would tell him a particular amount or perhaps sometimes you would not tell him amount and then what would happen after that is that you

would receive an envelope containing cash from Mr Inskip. That's right, isn't it?---No.

And this process continued for about that seven years that Mr Inskip said?---No.

10 All right. And the reason that Mr Inskip says that he was paying you all this money was to receive, well two reasons. One was so he could add a little bit to his income but the other reason was for him to secure work from the MSB. That's right, isn't it?---No.

And he, you gave Plantac preferential treatment, did you not?---No.

In, just let me finish asking the question. You gave Plantac preferential treatment in your role within the tender process in awarding jobs to building contractors?---No.

20 All right. And I want to suggest to you, sir, all of the answers you've just given to me in relation to the arrangement that you had which was your idea, the arrangement that you had with Mr Inskip, they're just lies, aren't they?---No.

All right. You resigned, sir, from the MSB, I think on the 6 December last year?---Correct.

I'll show you a document. No, it's just the front page. Thank you. Does that appear to be your letter of resignation?---It does.

30 I tender that, Commissioner.

THE COMMISSIONER: Yes, Exhibit T43.

**#EXHIBIT T43 – RESIGNATION LETTER OF DARREN BULLOCK
DATED 6 DECEMBER 2014**

MR NAYLOR: And 6 December was a Saturday was it not?---It was, yeah.

40 Did you return to the Picton District Office the following week?---I did, I think I returned on the Monday to drop off the Board's car and all the other effects that were owned by the Board and the keys to the office and all that. That was the Monday morning.

All right. And I want to show you another document. Do you recognise that document?---Yeah, that's from Greg saying exactly what I said, I just turned up on the Monday which was the 8th.

And it accepts essentially your resignation does it not?---It does, yes.

Yes. And it would appear, sir, that the date is mistakenly written as 10 November when it should really be 10 December I suppose, that sound right?---Yeah, yeah, it should be 10 December, yes, it's a typing error from -

--

I tender that document.

10 THE COMMISSIONER: Exhibit T44.

**#EXHIBIT T44 – CORRESPONDENCE FROM GREG COLE-
CLARK CONCERNING THE RESIGNATION OF DARREN
BULLOCK DATED 10 NOVEMBER 2014**

MR NAYLOR: Why did you resign from the Mine Subsidence Board?
---Because when I, after I'd been to the first hearing of ICAC when I
20 returned back to work after, I think it was on the Friday the date is, you can
probably tell me the date, it was the week or two weeks before the 6th so it
would have been the second last week of November, I can't remember the
date, Commissioner. Um, when I went back to work on the Monday after
that, that Friday I, I was at my desk resuming my normal duties and at
approximately about 9 o'clock, 9.30 in the morning I think Lyn Evans came
into my office and said that Peter Evans has just turned up from head office
who's the Board's engineer, and he turned up unannounced and the whole
time Peter had been the engineer, five years at the Board, he'd only ever
30 come to our office once and none of us were there, we were at the Camden
Show, so I thought that's unusual, he's actually come to our office for a
change and he walked into my office and he said, "Greg's sent me down to
talk to your staff about what's happening and I just want to inform you that
I've arranged for a locksmith to turn up and put a lock on your office and
he'll be here in half an hour," and I go, "What's all that about?" I said, "I
can still be here working, my understanding is if I'm being investigated by
ICAC I can still work and whatever," and he said, "No, Greg's advised me
to put a lock on your office, you're not, you can't go in your office," and I
said, "Well, Pete, I want to get some, I've got some odd-bod, my kids'
40 photos and things like that." He said, "Well, I'll stand here and take, you,
you take out what you need to as far as your personal effects but don't touch
anything else in your office," which I did, I took some photos and bits and
pieces and whatever and Peter observed that and the locksmith turned up,
put the lock on my office and I said, "Well, am I going home on full pay or
whatever, what's going on or can I work and not go in my office?" He said,
"You're to go home and use your holidays until we work out what we're
going to do and that's where you to go," and I went, "Pete, I have – my
understanding is you're innocent until proven guilty," I said, "This is just a
load of crap," and that's what I - - -

THE COMMISSIONER: Mr Bullock, Mr Bullock, we haven't actually got to the answer yet?---Well - - -

From what you've said thus far it appears that the Board was prepared to allow you to take leave until they reviewed the position and they were preserving the contents of your office in view of the fact that there was an investigation underway. Now can we get to the point and can you tell us why it was that you resigned?---Because I was absolutely putting it bluntly
10 pissed off to the max that the Board would treat me after all those years of service like that.

But how were they treating you by, by suggesting that you should take leave until the, until the purpose and scope of the investigation was concluded as far as they were concerned? In what way was that constituting - - -?---They, they locked me out of my office and they made me take my rec leave.

So you resigned because they were making you take rec leave and in effect they were, they were preserving the contents of your office?---They forced,
20 forced me out.

Well, in what way is that forcing you out by suggesting that you should take leave?---Because, I mean, I don't want to use my leave for something that I haven't done wrong.

So that was the reason for your resignation was it?---It was, yes.

Did you at any stage ring or speak to Mr Cole-Clark or indeed correspond with Mr Cole-Clark in order to convey to him your disappointment that in
30 spite of making him aware of all of these problems at the Picton office and in spite of his concurrence in the deliberate avoidance of the Board's policies and procedures that you were in fact being made a scapegoat for the Picton office, did you ever communicate to Mr Cole-Clark that, that he had acted dishonourably towards you in that respect?---I think I communicated it through - because Greg wouldn't talk to me because of the investigation so Paul Gray who was the acting district manager at Wyong came down and I conveyed my concerns through Paul Gray to Greg and the conversation Paul had with me he rung, he was in Picton and he met me for a coffee after I'd um, um, after I'd gone home when Peter had sent me home, um, I, I
40 think it was a day or two later and he met me for a coffee in Picton and I conveyed my concerns to Paul and Paul rung me back a day or so later and he said in typical Greg form he's looking after himself, he doesn't give a shit, you're on your own.

All right. Well, Mr Bullock, let me, let me come back to this because whether or not you expressed your concerns to another person is really beside the point. At no stage did you commit to writing by way of correspondence with Mr Cole-Clark your understanding that to the extent

that you breached your financial delegations and did things which were inconsistent with Board policies and procedures, all of those occasions that you did so were in effect sanctioned and approved of by Mr Cole-Clark, you at no stage corresponded with him to that effect because to do so, may I suggest to you, would have preserved your position in terms of what you're now telling the inquiry. So what I'm trying to understand is why it was that you never committed any of those matters to writing?---I, I, I didn't, Commissioner, I didn't commit them to writing, I, I committed through Paul.

10

Well, may I suggest to you, because I'm obliged to put this to you, that one of the reasons you didn't commit it to writing that you didn't seek to convey this to Mr Cole-Clark is because none of that explanation that you've given to us earlier on was in fact true?---That's not true.

Right.

MR NAYLOR: So you're essentially saying that you resigned because you felt shabbily treated at the time?---I did, I felt betrayed and can I just add something, sir?

20

Yes?---And in previous months to this I'd had conversations with my wife because I was getting worn out with dealing with people at Tahmoor, I've had people assault me, like at the back of the room, I've had other things happen, I've had people abuse me, I've had people turn up at my front door of my home with death threats, I've had - - -

30

Sir - - -?--- - - - on numerous occasions I've reported it to the Board and I've had to wear it.

Sir, I'm just asking you about the circumstances of your resignation? ---That, that's, that's adding to it as well because I was already at the end of my tether and this just tipped me over the edge.

It's the case is it not, sir, that you resigned on the Saturday, 6 December, that's right, isn't it?---That's when I typed the letter out, yeah.

40

And on the same day, the same day you went along to Ms Evans' home did you not?---On that same day when I, when I um, typed that letter out Julie my wife came to me and she said "Well, if you've, if you've got to hand all your stuff back into the Board, guess what, you're not going to have a phone," and I went oh, "I didn't even think of that," and she said, "Well, we better go get you a phone," and I've never owned a phone in my own name in my whole life 'cause I've always had a work phone and she said, "Well, we'll go up to Optus at Narellan," and when I was driving up there I said, "Look, we're going to drive right past Lyn's place, she lives one block away, Lyn and I have had a great relationship through our whole working

life, we've worked together for 11 and a half years, I personally need to go in and see Lyn and tell her that, what's, why I'm going to resign."

And what you told her, the reason you gave her for why you were going to resign was you'd stuffed up with the tendering system and that \$4,000 had gone from an account belonging to Plantac to your account. That's what you told her, wasn't it?---That's correct.

10 Right. And that's the real reason for why you resigned, not because you felt shabbily treated?---It's probably part of it.

So the answer that you gave to the Commissioner earlier about why you resigned was untruthful?---No, it's not untruthful, it's just I was, I was annoyed at the whole thing. It's not untruthful, it's definitely not untruthful.

20 Sir, what were the circumstances in which this \$4,000 were received by you from Mr Inskip?---I'd spoken to Kevin, Kevin and I had been friends for a long time, something like 23 years and whatever, Kevin um, was the first one to turn up at the birth of back nearly 20 years ago, was the first
30 one to turn up at the hospital, that's the kind of relationship we've had um, he's been to my 50th, he turned up at my grandmother's funeral last year when she died when she was 99 years old. Um, we never really socialised too much out of work but I believe we, you know, we were that kind of friendship that we, you know, like, you know, we had that kind of relationship and um, I can remember speaking to him about we were going through seven rounds of IVF to try and have a baby because Julie hadn't had a baby before and I had my kids and um, Kevin offered me, to help me out and I guess, look, in hindsight it's wrong, it had nothing to do with
40 work, and it's not like he was going to go give me a bunch of flowers or something, was it, it was just – and it just happened and, you know, I, I remember saying, "Kev, I've got to give it back." He said, "Don't worry about it." We had this conversation back and forward a few times, and you know, just over time I think we both just forgot.

They're all just lies, aren't they, sir?---No.

40 Sir, when you spoke with Ms Evans you said that you'd stuffed up with the tendering system and then you said to her that there had been this \$4,000 transferred from Plantac's account to Inskip's account and – sorry, from Plantac's account to your account and the suggestion was that there was a link between the two, that is that the \$4,000 which had been received by you was in relation to your stuff-ups with the tendering system and had nothing to do - - -?---No, I - - -

- - - with any, with any provision of money in respect of how you might have been feeling or how your wife might have been feeling in relation to IVF treatment. That's right, isn't it?---No, it's not.

THE COMMISSIONER: Mr Bullock, can you just, can you just explain to me why, if this was an act of generosity on Mr Inskip's part borne out of your long friendship with him, why he would now be disavowing that that payment had anything to do with IVF treatment?---I, I - - -

Why would he be doing that?---I don't understand at all, Commissioner, why he's doing that. I don't, I can't - - -

10 What, you think it's just a gratuitous act of madness, do you?---I can't speak on Mr Inskip's part, Commissioner, I don't understand what's going on.

But it seems quite inconsistent, doesn't it, with what you say is a long-term friendship?---It does. And like I said, we've, we've been to things all through the last 20 – I just don't know what's happening.

Well, of course one explanation for what's happening, Mr Bullock, is that all of these people are telling the truth and you're the one that's lying? ---That's not true, Commissioner.

20 Right.

MR NAYLOR: See, when you came before the Commission at your second compulsory examination, this is on 12 December, 2014, and remember this is the compulsory examination that was reconvened at your request because after the first compulsory examination you thought to yourself, hmm, gosh, there are things I need to clarify, and at the second compulsory examination you were asked about the circumstances in which this money was given to you by Mr Inskip. Do you remember that?---I do, vaguely, yeah.

30 All right. All right. And what you said at that time was that the money was received in two separate payments, one of, one of \$2,000 and then a later one of \$3,000. The first one was in 2008 and the second one was a month or two after that?---That's correct.

Right. And in relation to the first payment you were asked about the circumstances in which it was received and your answer was, "I was having a lot of troubles getting pay increases at work and whatever and I think, you know, he'd known me a long time and he said he could basically help me out in a way."

40

MR CHALMERS: Could I just request that Counsel Assisting give the page and - - -

MR NAYLOR: Of course.

THE COMMISSIONER: Thank you.

MR NAYLOR: Page 55, page 55, line 25. And you've made absolutely no – the question is this, sir. You made absolutely no mention of any difficulties being experienced in relation to the IVF procedure at that time. That's right, isn't it?---Because I was trying to hide it from my wife and I was ashamed of what I'd done.

Well, the truth is, sir, that the rationale that you're giving now in respect of the IVF treatment is just a late invention, isn't it?---No.

10 Right. And then, then you were asked about the circumstances of the next payment, the \$3,000 payment. "And what were the" – this is page 56, line 7?---I haven't got anything in front of me, sir.

No.

THE COMMISSIONER: You don't need to have it, Mr - - -?---Oh.

MR NAYLOR: I'm putting, I'm reading out to you the - - -?---I thought everyone else was reading it and I've got a blank screen, sorry.

20

Just listen to the question, please, Mr Bullock. "What were the circumstances surrounding that payment?" That's the second payment. Answer, "I think they were similar to the first, that, look, I can help you out a bit, and that was it." A little bit further down, well, the next, the Assistant Commissioner says, "I don't really understand this. Last time you were here you said you always had big loads of cash at your house, available reserves. Why is this man having to help you out?" Answer, "I still have that reserve there." Question, "Yeah." Answer, "I guess, see, I guess it was through me just whinging about work and whatever and we had been friends

30 for a long time and that was, there's no more in it to that." Absolutely no reference made to the IVF treatments or difficulties being experienced in relation to that process. So the reason that you give now for the payment being made in relation to the IVF treatment is just a lie, it's just a late invention, isn't it?---It's not a late invention.

30

Right. And you were asked this question. "The Commissioner's point goes to the heart of this. I think what we're saying, and tell me if I'm wrong, is that at this stage you are receiving money from Kevin Inskip, you have a cash reserve yourself?" Answer, "True." Question, "Your speaking to Mr

40 Inskip, was this during the course of other conversations or did you go and speak to him directly about financial issues that you were having?" Answer, "I don't remember what, what the circumstances was, it was seven years ago or whatever it is, yeah." Question, "You say it was in relation to general conversations about work. Can you give us any specifics about what was actually said?" Answer, "I think it's, I think it's been just dealing with everyone at Tahmoor, the hard times I've been having down there, it's been, it's been hard on me, I've, you know, I've had threats against my life, I've had all sorts of things down there, I've had people take swings at me,

I've had things thrown at me, I guess I was feeling down." There's no mention there, sir, of the payments being made or offered by Mr Inskip in respect of difficulties that might have been experienced in relation to an IVF treatment process, is there?---Not in that conversation, no.

10 No. Well, you were asked, sir, about the circumstances in which you'd received the \$4,000 and I suggest to you that if it's true, if it were true that the \$4,000 payment from Mr Inskip was in respect of an IVF treatment or difficulties being experienced in relation to it, that would have been the time in which to offer that explanation, and the fact that you didn't offer the explanation suggests that when you offer the explanation subsequently it's, it's not true, it's a lie?---It's true.

All right. And, and when – you do remember a time, do you not, last December, sir, when you went to Mr Inskip's home at night?---Yes, to tell him I'd resigned, yes.

20 And you had had a conversation with him, had you not, about this money that he paid you in 2008, the \$4,000 or \$5,000?---I had a conversation with him to explain that I'd resigned from the Board because there was just a lot of crap happening and I've had to resign, I've had enough, and um, that I went there to pay him back for the sink and he told me he hadn't, he hadn't had a um, invoice yet from Reece, said it was on his account um, Kevin was pretty drunk at the time, Barb had to go wake him up, he was slurring his words and blah, blah, blah, and I think I, I was, I think I'd been at my, my mum only lives around the corner from him so um, I think it was when I went from there to Kevin's place that night.

30 And, sir, what, what I'm suggesting to you is that during that time that you were with Mr Inskip having a conversation with him you tried to suggest to him how he should answer a question that might be asked of him in relation to the circumstances of this payment of four or \$5,000 and what you suggested to him was that it should – that the reason he should give was that it was in relation to difficulties being experienced with IVF treatment. That's right isn't it?---No.

40 All right. You were trying to coach him in relation to evidence that he might give to ICAC about this matter?---There's no way I could coach him he was that drunk.

Are you denying - - -?---I'm – I didn't coach him.

- - - the proposition?---I'm denying it, yes. I didn't coach him.

Sir, were you here during the evidence of Mrs Inskip?---Yes.

Mrs Inskip gave evidence in her capacity essentially as the Plantac bookkeeper about payments that she had organised to be made to you. You remember that evidence?---I do.

And you may recall, Mr Bullock, that I took Mrs Inskip through a series of transactions?---Yes, I do.

10 And what Mrs Inskip said – and the transactions related to how she recorded in the books of Plantac the payments that she said were made to you and her evidence was, sir, that in some cases she recorded the payments against the names of fictitious suppliers such as Don Bruce Kitchens. Remember that evidence?---Yes.

And in other cases her evidence was that she recorded the transactions using the names of real suppliers but in circumstances where there wasn't a real transaction or a real supply from that supplier. You remember that evidence?---I do.

20 What I'm going to do, sir, is take you through a series of transactions. I hope it doesn't get too tedious, it might, but I'm obliged to put to you these propositions. So could the witness please be given Exhibit T16. Now, the approach I am going to take is to try to take them in the same order as what I did with Mrs Inskip. So first of all Mrs Inskip was asked a number of questions about payments that had been recorded in the documents where the payee was the Mine Subsidence Board so I'll take you to those first and the first of those you will find behind tab 2 of volume marked file number 2?---Okay.

30 So I'll just explain, sir, how these documents work. The first few pages behind each tab are the Plantac side of the transaction and then I'll take you to the last few pages behind each tab which is the proposition will be your side of the transaction. So behind tab 2, sir, the first page you'll see is a bank statement from Plantac. See that?---I do.

And there's a – there should be a transaction underlined which is 13 February, 2008?---I see that.

40 It's a withdrawal from a – from the Plantac cheque account of \$2,000. And if you go over the next page that's the cheque?---Ah hmm.

And if you go over two more pages this is a spreadsheet, this is the BAS worksheet for Plantac and there's a highlighted item 13 February, 2008. Next to it is Kevin Inskip and then there's a description "loan"?---Yeah.

And that's in relation to the same cheque and the same cheque number. And then go over the page. The next page that you should have is an extract from the GST report for Plantac kept by their accountants Finncorp? ---Yeah, see that.

And you see the description in Finncorp's accounts – Finncorp's version of Plantac's accounts for this transaction is slightly different. It's MSB Mine Subsidence Board?---Yes, I see that.

And then the next page is an extract from your Freedom cheque account?
---Yes.

10 And there's a transaction there underlined 13 February, 13 February, 2008?
---Yeah, see that.

There's a credit to your account, a cash deposit of \$2,000?---Yeah.

See that?---Yes.

And over the page is a deposit slip for that amount?---Yes.

And there's also a receipt?---Yes.

20 And what I want to suggest to you, sir, is that the money that came out of Plantac's account, that \$2,000, is the same money that was deposited into your account?---No.

Right. And if it's not the same money that was deposited into your account, what happened was the money came out of Plantac's account, it was given to you in cash, you put the money into your cash reserve at home and then you withdrew or used other cash to put into your bank account. That's what's happened isn't it?---Can I just note on this um - - -

30 Is – what's the answer to my question please?---The answer is no.

Right. And then I'm going to take you, sir, to – there's a big spreadsheet at the front of the file which has tab 2 in it and this is a spreadsheet that collects together all the information in these various tabs that I'll take you to in due course. And the very first one, and there's a reference at the side, the last column, brief – the heading to the column is brief ref and then there's a two. See that?---Yeah, I see that.

40 Right. And so this essentially is a summary of the documents that I've just taken you through?---Yeah.

So you'll see towards the left-hand side under the heading – the column Plantac bank statements, date 13 February, 2008, withdrawal of \$2,000 evidenced by the bank vouchers and you've seen the - - -?---Ah hmm.

- - - the cheque and then you go across and there's a description of how it's been recorded in the Plantac accounts and then you go across and the final main column is Darren and Julie Bullock transactions?---Correct.

And then it records what's in your, your bank statement essentially.
13 February, 2008 an amount of 2,000 is deposited and what the vouchers show, sir, is that the money that was deposited was four \$50 – sorry, was 40 \$50 notes?---Yeah.

10 And the, the information that this shows is that 40 \$50 notes were also received from Plantac, that is, the withdrawal from their account was in the form of 40 \$50 notes and that corresponds precisely with the way in which the deposit was made into your account?---Mmm.

So it's just unarguable isn't it that the money that was deposited into your account is the self-same 40 \$50 notes that came out of the Plantac account and the explanation for that is simple, you were given it in cash by Mr Inskip?---No.

All right?---It's not even my signature on that thing so I don't know whose that is.

20 Let's go to the next transaction. Pardon me. Well, do you have an explanation, sir, for where this 40 \$50 notes came from that found its way into account on the same date that the money was withdrawn from – or the same amount of money in the same denominations was withdrawn from the Plantac bank account?---It would have come from home I presume.

Right?---I can't remember back then but that's all I can presume.

Came from the cash reserve that you kept at home?---Yes.

30 All right.

THE COMMISSIONER: An extraordinary coincidence isn't it, Mr Bullock, that on the same day that Plantac's account shows a withdrawal of 40 \$50 notes you deposit exactly the same denominations into your account from your cash reserves?---Did I do it before he did? I haven't seen any times on that.

I'm not asking you that?---It's an extraordinary – yeah, it is.

40 An extraordinary coincidence?---Coincidence.

Right.

MR NAYLOR: Let's go to the next one, Mr Bullock. Can I indicate, Commissioner, there are about 65 of these to go through. Tab 3 please, Mr Bullock. This is a withdrawal from the Plantac cheque account on 30 April in the sum of \$4,000 and you'll see over the next page, excuse me, it's a withdrawal by way of a cash cheque so that is cash has been

withdrawn, over the page an extract from the Plantac accounts for the same date, 30 April, 2008 described as KI loan, \$4,000. Over the page extract from the Finncorp GST report for Plantac, the same date, described in those records as payment, the payee was MSB Mine Subsidence Board, \$4,000. Over the page two days later, 2 May, cash deposit into your account of \$2,000?---Correct.

10 Over the page copy of the deposit slip together with the receipt and we go back then to the spreadsheet and we're looking at item number 3, tab number 3, so that shows the \$4,000 coming out of the Plantac account and it's withdrawn as 40 \$100 notes and on 2 May the money that goes into your account is 20 \$100 notes and the money that was deposited into your account is the self-same part of the self-same money that was withdrawn from the Plantac account because – and that happened when Mr Inskip gave you a bundle of cash, that's right, isn't it?---No.

20 And if – because the alternative explanation is that the 20 \$100 notes that found their way into your account on 2 May, 2008 came from your cash reserve kept at home, is that what you're going to tell me?---Or it could have come out of one of our bank accounts, I don't know without me looking it up.

This is a cash deposit, sir - - -?---What - - -

- - - into your St George account?---But it could have been taken out of our, one of Julie or my other accounts in cash and deposited back in cash, without me checking I don't know. Could be either.

30 THE COMMISSIONER: Why would you take cash out of an account and put it into another account when you could quite simply conduct an electronic funds transfer between one account and another, why would you physically need to take the cash out?---Because where the banks are in Picton they're all close so I just walk across and do it, it's quicker and I don't have to wait for it to go into the account.

And is this just another extraordinary coincidence is it?---Pardon?

40 Is this another extraordinary coincidence?---These amounts are unrelated anyway so - - -

MR NAYLOR: Well, the suggestion that is being put to you, sir, let me be plain about it, is that they are related?---No, they're not.

Right. All right. Let's go to tab 5. It starts in the same way, sir, 16 June, 2008 a withdrawal from the Plantac cheque account of \$3,600, there's the next page, cheque made out to cash so it's cash that is taken out of the account. The next page, you'll need to go over a couple of pages, so on the second of those two spreadsheets that you've got there which are an extract

from the Plantac BAS accounts there's a transaction highlighted at the bottom, 16 June, 2008 described as a payment to Tea Gardens, sum of \$3,600, see that?---Ah hmm.

Over the page, extract from the Finncorp GST reports for Plantac, 16 June, 2008, payee described as MSB Mine Subsidence Board, the same amount. Over the page please, extract from your St George Bank account for a cash deposit made four days later on 20 June in the sum of \$2,000?---Ah hmm.

10 You see that?---I see it.

Over the page bank deposit slip and receipt, you see that?---I do.

Over the page four days later there was a cash deposit into Mrs Bullock's account of \$2,000, see that?---Yes.

And there's also a cash deposit, pardon me, on 24 June, this is over the last page, of \$5,000, see that?---I do, yeah.

20 And you see the deposit slip for that. So if you just go back to the spreadsheet, this is item number 5, on 16 June \$3,600 in cash is withdrawn from the Plantac account, the denominations of the notes are 30 \$100 notes, 12 \$50 notes and then what happens is between 20 June, 2008 and 24 June, 2008 there are four deposits into bank accounts either for yourself or your wife the total of which is \$10,000 and the denominations are 40 \$50 notes in the first transaction, 40 \$50 notes in the second transaction, 100 \$50 notes in the third transaction and we don't know in what components or denominations the last \$1,000 was deposited. But we go back there are 31 \$100 notes taken out of the Plantac account and 12 \$50 notes. And what I
30 want to suggest to you, sir, is that some of that money, some of that money was the self-same money that was deposited into your bank accounts that I've just taken you to?---No.

And if it wasn't the self-same money, what happened was that the money which was \$3,600 was given to you in cash by Mr Inskip, you put it into your cash reserve at home and then those deposits into your accounts that I've just taken you to, is cash that was taken out of your cash reserve and put into those accounts?---No.

40 THE COMMISSIONER: Is it a convenient time, Mr Naylor?

MR NAYLOR: Yes, thank you, Commissioner.

THE COMMISSIONER: Yes, we resume at 2 o'clock, thank you.

LUNCHEON ADJOURNMENT

[1.00PM]